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JUL 03 2008

8 Attorneys for Defendant
9 THE INSURANCE COMPANY OF THE STATE OF PENNSYLVANIA

ADR

RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

10 UNITED STATES DISTRICT COURT

11 NORTHERN DISTRICT OF CALIFORNIA

12 INTEL CORPORATION, a Delaware
13 Corporation,

CASE NO. 08-03238 PVT

14 Plaintiff,

15 v.

DEFENDANT'S NOTICE OF REMOVAL
OF CIVIL ACTION UNDER 28 U.S.C.
SECTION 1332 [DIVERSITY
JURISDICTION]

16 THE INSURANCE COMPANY OF THE
17 STATE OF PENNSYLVANIA, a
18 Pennsylvania Corporation, and DOES 1
19 through 100, inclusive

20 Defendant.

21 TO THE CLERK OF THE ABOVE ENTITLED COURT:

22 PLEASE TAKE NOTICE that defendant The Insurance Company of the State of
23 Pennsylvania ("ICSOP") hereby removes to this Court the state action described below pursuant to
24 28 U.S.C § 1332, diversity jurisdiction:

25 1. ICSOP is a defendant in the civil action filed on or about July 1, 2008, in the
26 Superior Court of the State of California, County of Santa Clara, Case No. 1-08-CV-116396
27 entitled *Intel Corporation v. Insurance Company of the State of Pennsylvania*. ICSOP has not
28 been formally served with the complaint. This notice is timely.

29 2. The summons, complaint, civil case cover sheet, notice of related case, notice of
30 case management conference, and answer, constitute all of the papers, pleadings and orders filed in
31 the State court. Copies of these documents are attached as Exhibit 1 and incorporated by reference

McCURDY & FULLER LLP
4300 Bohannon Drive, Suite 240
Menlo Park, CA 94025
(650) 618-3500

1 herein.

2 3. This action is a civil action of which this Court has original jurisdiction under 28
3 U.S.C. § 1332, and is one that may be removed to this Court by ICSOP pursuant to the provisions
4 of 28 U.S.C. § 1441(a), in that it is a civil action, wherein the matter in controversy exceeds the
5 sum of \$75,000, exclusive of interest and costs, and is between citizens of different states.

6 4. At the time of the commencement of this action and at all times since, ICSOP is a
7 Pennsylvania corporation that maintains its principal place of business in New York. ICSOP is
8 informed and believes that plaintiff Intel Corporation ("Intel") is a corporation organized and
9 existing under the laws of the State of Delaware with its principal place of business in Santa Clara,
10 California.

11 5. The matter in controversy exceeds the sum or value of \$75,000 exclusive of interest
12 and costs. Specifically, the complaint alleges that ICSOP had an obligation to defend and/or
13 indemnify Intel Corporation as its alleged insured in the lawsuits entitled *Barbara's Sales, Inc., et*
14 *al. v. Intel Corporation, et al.*, Case No. 02-L-788, filed in the Circuit Court of Madison County,
15 Illinois and *Janet Skold, et al. v. Intel Corporation, et al.*, Case No. RG 04145635 initially filed in
16 the Superior Court of Alameda Count and now pending in the Superior Court of California,
17 County of Santa Clara (collectively the "underlying actions"), which allege that Intel, through its
18 marketing and advertising, caused damage to persons who bought or leased computers containing
19 Pentium® 4 processors. Intel claims that ICSOP wrongfully denied coverage for the underlying
20 actions and seeks reimbursement from ICSOP for not less than \$23 million.


21 6. Accordingly, ICSOP requests removal of this action based on diversity jurisdiction.

22 7. A notice of removal shall be filed contemporaneously in the Superior Court for the
23 County of Santa Clara, to which this matter was assigned. A copy of the notice of removal to the
24 Clerk of Santa Clara County Superior Court and proof of service evidencing service upon Intel
25 Corporation counsel of record is attached as Exhibit 2.

Signed pursuant to Federal Rule of Civil Procedure, Rule 11.

Dated: July 3, 2007

McCURDY & FULLER LLP

By 
for KEVIN G. McCURDY
Attorneys for Defendant
THE INSURANCE COMPANY OF THE
STATE OF PENNSYLVANIA

McCURDY & FULLER LLP
4300 Bohannon Drive, Suite 240
Menlo Park, CA 94025
(650) 618-3500

SUMMONS
(CITACION JUDICIAL)

NOTICE TO DEFENDANT:
(AVISO AL DEMANDADO):

THE INSURANCE COMPANY OF THE STATE OF PENNSYLVANIA, a
Pennsylvania corporation; and DOES 1 through 100, inclusive

YOU ARE BEING SUED BY PLAINTIFF:

(LO ESTÁ DEMANDANDO EL DEMANDANTE):
INTEL CORPORATION, a Delaware corporation

FOR COURT USE ONLY
(SOLO PARA USO DE LA CORTE)

E-FILED

Jul 1, 2008 4:07 PM
KIRI TORRE
Chief Executive Officer
Superior Court of CA, County of Santa Clara
Case #1-08-CV-116396 Filing #G-9502
By G. Duarte, Deputy

You have 30 CALENDAR DAYS after this summons and legal papers are served on you to file a written response at this court and have a copy served on the plaintiff. A letter or phone call will not protect you. Your written response must be in proper legal form if you want the court to hear your case. There may be a court form that you can use for your response. You can find these court forms and more information at the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), your county law library, or the courthouse nearest you. If you cannot pay the filing fee, ask the court clerk for a fee waiver form. If you do not file your response on time, you may lose the case by default, and your wages, money, and property may be taken without further warning from the court. There are other legal requirements. You may want to call an attorney right away. If you do not know an attorney, you may want to call an attorney referral service. If you cannot afford an attorney, you may be eligible for free legal services from a nonprofit legal services program. You can locate these nonprofit groups at the California Legal Services Web site (www.lawhelpcalifornia.org), the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), or by contacting your local court or county bar association.

Tiene 30 DÍAS DE CALENDARIO después de que le entreguen esta citación y papeles legales para presentar una respuesta por escrito en esta corte y hacer que se entregue una copia al demandante. Una carta o una llamada telefónica no lo protegen. Su respuesta por escrito tiene que estar en formato legal correcto si desea que procesen su caso en la corte. Es posible que haya un formulario que usted pueda usar para su respuesta. Puede encontrar estos formularios de la corte y más información en el Centro de Ayuda de las Cortes de California (www.courtinfo.ca.gov/selfhelp/espanol/), en la biblioteca de leyes de su condado o en la corte que le quede más cerca. Si no puede pagar la cuota de presentación, pida al secretario de la corte que le dé un formulario de exención de pago de cuotas. Si no presenta su respuesta a tiempo, puede perder el caso por incumplimiento y la corte le podrá quitar su sueldo, dinero y bienes sin más advertencia. Hay otros requisitos legales. Es recomendable que llame a un abogado inmediatamente. Si no conoce a un abogado, puede llamar a un servicio de remisión a abogados. Si no puede pagar a un abogado, es posible que cumpla con los requisitos para obtener servicios legales gratuitos de un programa de servicios legales sin fines de lucro. Puede encontrar estos grupos sin fines de lucro en el sitio web de California Legal Services, (www.lawhelpcalifornia.org), en el Centro de Ayuda de las Cortes de California, (www.courtinfo.ca.gov/selfhelp/espanol/) o poniéndose en contacto con la corte o el colegio de abogados locales.

The name and address of the court is:
(El nombre y dirección de la corte es):

CASE NUMBER:
(Número del Caso):
1-08-CV-116396

SUPERIOR COURT OF STATE OF CALIFORNIA
COUNTY OF SANTA CLARA
191 N. First Street
San Jose, CA 95113

The name, address, and telephone number of plaintiff's attorney, or plaintiff without an attorney, is:

(El nombre, la dirección y el número de teléfono del abogado del demandante, o del demandante que no tiene abogado, es):
Lester O. Brown (SBN 160828) Tel: 213-892-1800 Fax: 213-892-2300
Fiona A. Chaney (SBN 227725)
HOWREY LLP
550 South Hope Street, Suite 1100, Los Angeles, CA 90071

DATE: July 1, 2008
(Fecha)

Clerk, by _____ Deputy
(Secretario) (Adjunto)

(For proof of service of this summons, use Proof of Service of Summons (form POS-010).)
(Para prueba de entrega de esta citación use el formulario Proof of Service of Summons, (POS-010)).

NOTICE TO THE PERSON SERVED: You are served

[SEAL]

1. ☐ as an individual defendant.
2. ☐ as the person sued under the fictitious name of (specify):
3. ☐ on behalf of (specify):
under: ☒ CCP 416.10 (corporation) ☐ CCP 416.60 (minor)
☐ CCP 416.20 (defunct corporation) ☐ CCP 416.70 (conservatee)
☐ CCP 416.40 (association or partnership) ☐ CCP 416.90 (authorized person)
☐ other (specify):
4. ☐ by personal delivery on (date):

1 Lester O. Brown (SBN 160828)
 2 Fiona A. Chaney (SBN 227725)
 3 HOWREY LLP
 4 550 South Hope Street, Suite 1100
 5 Los Angeles, California 90071
 6 Telephone: (213) 892-1800
 7 Facsimile: (213) 892-2300

8 Attorneys for Plaintiff Intel Corporation

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
 FOR THE COUNTY OF SANTA CLARA
 COMPLEX DIVISION

Intel Corporation, a Delaware corporation,

Plaintiff,

vs.

The Insurance Company of the State of
 Pennsylvania, a Pennsylvania corporation;
 and DOES 1 through 100, inclusive,

Defendant.

Case No. 1-08-CV-116396

**INTEL CORPORATION'S COMPLAINT
 FOR: DECLARATORY RELIEF;
 BREACH OF CONTRACT**

DEMAND FOR JURY TRIAL

Plaintiff, Intel Corporation ("Intel") complains of defendants, The Insurance Company of the State of Pennsylvania ("ICSOP"); and DOES 1 through 100 (collectively "Defendants"), and each of them, and alleges:

THE NATURE OF THE ACTION

1. This is a complaint for declaratory relief, and for damages arising from ICSOP's refusal to defend and/or indemnify Intel against two lawsuits that constitute covered claims under the follow form excess liability insurance policy issued by ICSOP. The lawsuits, entitled *Barbara's Sales, Inc., et al. v. Intel Corporation*, et al, Case No. 02-L-788, filed in the Circuit Court of Madison County, Illinois ("*Barbara's Sales Action*") and *Janet Skold, et al. v. Intel Corporation*, et al, Case No. RG 04145635 initially filed in the Superior Court of

1 California, County of Alameda and now pending in the Superior Court of California, County of
2 Santa Clara ("*Skold* Action") (collectively "the Underlying Litigation") allege that Intel,
3 through its marketing and advertising, caused damage to persons who bought or leased
4 computers containing certain Pentium® 4 processors. The allegations trigger the "Advertising
5 Liability" coverage of the insurance policies issued by the Defendants to Intel.

6 2. Intel tendered the Underlying Litigation to the Defendants in accordance with the
7 subject policy's requirements for coverage. In response, the Defendants repudiated their policy
8 obligations by denying coverage.

9 3. Intel brings this complaint for declaratory relief and breach of contract requesting
10 that the Court declare and enforce Intel's rights to defense and indemnity coverage for the
11 Underlying Litigation under the "Advertising Liability" provision of the comprehensive excess
12 liability insurance policy issued to Intel by ICSOP, which follows form to the Commercial
13 Umbrella Policy issued by XL Insurance America, Inc. ("XL"). Without the assistance of the
14 Defendants, Intel has been defending itself against the Underlying Litigation.

15 THE PARTIES

16 4. Plaintiff INTEL CORPORATION is a Delaware corporation with its principal
17 place of business in Santa Clara, California. Intel is licensed to transact business, and is
18 transacting business in the State of California.

19 5. Intel is informed and believes and on that basis alleges that Defendant THE
20 INSURANCE COMPANY OF THE STATE OF PENNSYLVANIA, is and at all times
21 material hereto was, an insurance company incorporated in the state of Pennsylvania, with its
22 principal place of business in New York. ICSOP conducts substantial business in the state of
23 California.

24 6. Intel is ignorant of the true names and capacities of the parties sued herein under
25 the fictitious names Does 1 through 100. Intel is informed and believes, and based thereon
26 alleges, that said defendants are responsible in some manner for the wrongful conduct
27 complained of, and for the damages ensuing there from. Intel will seek leave of court to
28

1 amend this complaint to allege the true names and capacities of said defendants when the same
2 are ascertained.

3 **THE INSURANCE POLICIES**

4 7. XL issued Commercial Umbrella Policy No. HFL 004-27-84-98 (the "XL 00-01
5 Policy") which provides \$10 million of coverage, per annual period, in excess of a retention for
6 each occurrence resulting in Ultimate Net Loss to Intel, as defined in the XL 00-01 Policy,
7 during the policy period of April 1, 1998 to April 1, 2001. A true and correct copy of the XL
8 00-01 Policy is attached hereto as Exhibit A and incorporated herein by reference.

9 8. Under the the XL 00-01 Policy, XL agreed to:
10 [D]efend any suit against the Insured alleging such injury or
11 destruction and seeking damages on account thereof, even if such
12 suit is groundless, false or fraudulent, and to pay all Allocated
13 Claims Expenses

14 XL 00-01 Policy, at II.

15 9. The XL 00-01 Policy covers liability on account of "Advertising Liability"
16 which is defined to include:

17 Injury arising out of offenses such as, but not limited to, libel,
18 slander, defamation, infringement of copyright, title (including
19 trademark) or slogan, piracy, unfair competition, idea
20 misappropriation (including trade secrets), breach of confidential
21 information, electronic mail intercepts, misappropriation of the
22 style of doing business (including website/homepage design), or
23 invasion of rights of privacy committed, or alleged to have been
24 committed, in any software, advertisement, promotion, publicity
25 article, broadcast, or telecast.

26 XL 00-01 Policy, at III (E).
27
28

1 *practices*, to believe that each generation of its high-performance processors is superior in
2 speed and performance to the previous generation.” *Barbara’s Sales* Third Amended
3 Complaint, ¶ 62. The plaintiffs in the *Barbara’s Sales* Action also alleged that:

4 In the marketing of its Pentium 4 Processors, Intel has engaged in
5 *unfair competition* . . . by making other statements that either
6 expressly *or implicitly* represent to Plaintiffs, Class Members and
7 the general public that the “Willamette” Pentium 4 processor is or
8 was Intel’s highest performance processor.

9 *Id.*, ¶ 148 (emphasis added).

10 15. The *Barbara’s Sales* Action sought damages against Intel under the California
11 Consumers Legal Remedies Act (Cal. Civil Code § 1750 *et seq.*) and the Illinois Consumer
12 Fraud and Deceptive Business Practices Act (815 ILCS 505/1 *et seq.*), as well as remedies
13 under the California Unfair Business Practices Act (Cal. Bus. & Prof. Code § 17200 *et seq.*).

14 16. On November 29, 2007, the Illinois Supreme Court issued its opinion in the
15 *Barbara’s Sales* Action, concluding that Illinois law, not California law, applied to the lawsuit.
16 It then held that class certification was improper because the plaintiffs’ generalized claims that
17 “Intel conditioned the market to believe that each generation of the ‘Pentium’ processor would
18 be better than the last and that the Pentium 4 was ‘the best,’ as it was the latest generation
19 processor” and that there was an “implicit representation inherent in the name Pentium 4
20 [which was] mere puffery,” and were not actionable under the Illinois Consumer Fraud Act.
21 *Barbara’s Sales v. Intel*, 227 Ill. 2d 45 (2007). On March 20, 2008, the *Barbara’s Sales*
22 Action was dismissed with prejudice.

23 17. In March 2004, Janet Skold, on behalf of herself and others similarly situated and
24 the general public, filed the *Skold* Action, a putative class action lawsuit against Intel and
25 Hewlett-Packard in the Superior Court of California, County of Alameda (and later transferred
26 to Santa Clara County entitled *Janet Skold, et al v. Intel Corporation, et al*, Case No. RG
27 04145635 (the “*Skold* Action”). The *Skold* complaint contains allegations that are similar, but
28

1 not as detailed as, the *Barbara's Sales* Action. The *Skold* plaintiffs also allege that Intel
2 engaged in false, misleading and unfair conduct through its marketing and advertising of
3 certain Pentium® 4 processors. In August 2006, the *Skold* plaintiffs specifically added a
4 damages claim to the action. The *Skold* Action seeks damages against Intel under the
5 Consumer Legal Remedies Act (Cal. Civil Code § 1750 *et seq.*), as well as relief under the
6 Unfair Business Practices Act (Cal. Bus. & Prof. Code § 17200) and the False Advertising Act
7 (Cal. Bus. & Prof. Code § 17500).

8 18. On March 27, 2008, the Honorable Jack Komar denied the *Skold* plaintiffs'
9 motion for nationwide class certification. However, the Court allowed the *Skold* plaintiffs to
10 file a renewed motion for class certification with a hearing on that new motion scheduled for
11 July 25, 2008.

12 19. The allegations in the Underlying Litigation of injury as a result of Intel's
13 advertising and marketing of certain of its Pentium® 4 processors fall within the "Advertising
14 Liability" coverage of the XL Policies, which include injury arising out of advertisements,
15 promotion, publicity, articles, broadcasts and telecasts. Because the ICSOP Policy "follows
16 form" to the XL 00-01 Policy, the allegations also fall within the "Advertising Liability"
17 coverage afforded by the ICSOP Policy.

18 20. On or about February 7, 2008, the Honorable Jack Komar, in interpreting the XL
19 00-01 Policy as part of the lawsuit entitled *Intel Corporation v. XL Insurance America, Inc.*,
20 Superior Court of California for the County of Santa Clara, Case No. 1-06-CV-061620, found
21 that "XL [had] failed to establish that Intel [had] not potentially covered liability in the
22 Underlying Litigation and therefore there is a duty to defend." February 7, 2008, Order After
23 Hearing at 8:13-14.

24 **THE DEFENDANTS REPUDIATED THEIR POLICY OBLIGATIONS**

25 21. In April 2004, Intel tendered the claims from the Underlying Litigation to
26 ICSOP, thereby requiring ICSOP to agree to provide a defense and to promptly pay all
27 reasonable defense costs and expenses incurred by Intel once XL's coverage was exhausted.

22. Despite the clear potential of covered liability presented by the Underlying Litigation, ICSOP denied coverage for the Underlying Litigation on February 17, 2006 on the grounds that the underlying XL 00-01 Policy and retention had not been exhausted. Moreover, ICSOP advised Intel that it agreed with XL's September 2, 2004 coverage position that none of the claims asserted in the *Barbara's Sales* Action and the *Skold* Action met any of the defined activities under the Advertising Liability definition in either of the XL Policies, and/or the claims were barred by exclusions contained in the XL Policies. On June 10, 2008, ICSOP was advised that the XL 00-01 Policy was exhausted and was asked to change its coverage position. However, to date, ICSOP neither has changed its coverage position nor paid any defense costs or expenses incurred by Intel in the Underlying Litigation.

FIRST CAUSE OF ACTION

Declaratory Relief Against ICSOP

With Regard To The *Barbara's Sales* Action

23. Intel re-alleges and incorporates paragraphs 1 through 22 above as though set forth fully herein and alleges against defendant ICSOP as follows:

24. The insuring provisions of the ICSOP Policy obligates ICSOP to pay the defense costs and expenses incurred by Intel, in excess of its retention and once the XL 00-01 Policy is exhausted, in defending against the *Barbara's Sales* Action. No exclusions or any other terms or conditions in the ICSOP Policy bar or preclude ICSOP's duty to pay Intel's defense costs and expenses incurred defending against the *Barbara's Sales* Action.

25. Intel has at all times relevant to the ICSOP Policy performed all of the obligations required of it under the ICSOP Policy, except as excused. All conditions precedent to performance by ICSOP pursuant to the terms of the ICSOP Policy have been met, are excused or otherwise have been prevented by ICSOP from occurring.

26. Intel is entitled to have the ICSOP Policy interpreted in a reasonable manner that maximizes its insurance coverage.

1 27. Intel is informed and believes and thereon alleges that ICSOP disputes the
2 contentions as set forth above. Therefore, an actual and justiciable controversy exists between
3 ICSOP and Intel concerning the matters alleged.

4 28. Intel therefore seeks a judicial declaration that it has a right to reimbursement
5 and payment of defense costs under the ICSOP Policy, confirming Intel's contentions as stated
6 above. A declaration is necessary at this time in order that the parties' dispute may be resolved
7 and that the parties may be aware of their respective rights and duties.

8 **SECOND CAUSE OF ACTION**

9 **Breach of Contract – Duty to Defend Against ICSOP Under the ICSOP Policy**

10 **With Regard to the *Barbara's Sales* Action**

11 29. Intel re-alleges and incorporates paragraphs 1 through 28 above as though set
12 forth fully herein and alleges against defendant ICSOP as follows:

13 30. ICSOP has breached its duties under the ICSOP Policy by repudiating and
14 otherwise denying its obligation to provide coverage for loss arising out of the *Barbara's Sales*
15 Action.

16 31. As a direct and proximate result of ICSOP's material breaches of contract, Intel
17 has been deprived of the benefits of the ICSOP Policy and has suffered general and
18 consequential damages including but not limited to the following:

- 19 a. Intel has incurred attorneys' fees, expenses and costs in defending itself against
20 the *Barbara's Sales* Action;
21 b. Intel has incurred and will continue to incur attorneys' fees, expenses and costs
22 in seeking the benefits of its insurance contracts.

23 32. The full scope of damages cannot be determined at this time, but it is clearly in
24 excess of the jurisdictional threshold of this Court.

THIRD CAUSE OF ACTION**Declaratory Relief Against ICSOP Under the ICSOP Policy****With Regard to the *Skold* Action**

33. Intel re-alleges and incorporates paragraphs 1 through 32 above as though set forth fully herein and alleges against defendant ICSOP as follows:

34. The insuring provisions of the ICSOP Policy obligate ICSOP to pay the defense costs and expenses incurred by Intel, in excess of its retention and once the XL 00-01 Policy is exhausted, in defending against the *Skold* Action. No exclusions or any other terms or conditions in the ICSOP Policy bar or preclude ICSOP's duty to pay Intel's defense costs and expenses incurred defending against the *Skold* Action.

35. Intel has at all times relevant to the ICSOP Policy performed all of the obligations required of it under the ICSOP Policy, except as excused. All conditions precedent to performance by ICSOP pursuant to the terms of the ICSOP Policy have been met, are excused or otherwise have been prevented by ICSOP from occurring.

36. Intel is entitled to have the ICSOP Policy interpreted in a reasonable manner that maximizes its insurance coverage.

37. Intel is informed and believes and thereon alleges that ICSOP disputes the contentions as set forth above. Therefore, an actual and justiciable controversy exists between ICSOP and Intel concerning the matters alleged.

38. Intel therefore seeks a judicial declaration that it has a right to reimbursement and payment of defense costs under the ICSOP Policy, confirming Intel's contentions as stated above. A declaration is necessary at this time in order that the parties' dispute may be resolved and that the parties may be aware of their respective rights and duties.

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1 **FOURTH CAUSE OF ACTION**

2 **Breach of Contract – Duty to Defend Against ICSOP Under the ICSOP Policy**

3 **With Regard to the *Skold* Action**

4 39. Intel re-alleges and incorporates paragraphs 1 through 38 above as though set
5 forth fully herein and alleges against defendant ICSOP as follows:

6 40. ICSOP has breached its duties under the ICSOP Policy by repudiating and
7 otherwise denying its obligation to provide coverage for loss arising out of the *Skold* Action.

8 41. As a direct and proximate result of ICSOP's material breaches of contract, Intel
9 has been deprived of the benefits of the ICSOP Policy and has suffered general and
10 consequential damages including but not limited to the following:

11 a. Intel has incurred and continues to incur attorneys' fees, expenses and costs in
12 defending itself against the *Skold* Action;

13 b. Intel has incurred and will continue to incur attorneys' fees, expenses and costs
14 in seeking the benefits of its insurance contracts.

15 42. The full scope of damages cannot be determined at this time, but it is clearly in
16 excess of the jurisdictional threshold of this Court.

17 **FIFTH CAUSE OF ACTION**

18 **Breach of Contract – Duty to Indemnify Against ICSOP Under the ICSOP Policy**

19 **With Regard to the *Skold* Action**

20 43. Intel re-alleges and incorporates paragraphs 1 through 42 above as though set
21 forth fully herein and alleges against defendant ICSOP as follows:

22 44. ICSOP breached the ICSOP Policy by failing to fulfill and/or refusing to
23 acknowledge its obligations to fully indemnify Intel, without reservation, in connection with
24 the *Skold* Action alleging Advertising Liability claims against Intel to which the ICSOP Policy
25 applies.

26 45. As a direct and proximate result of the acts and omissions of ICSOP as alleged
27 hereinabove, Intel has sustained and continues to sustain substantial damages in an exact
28

1 amount not yet ascertained, but at least in excess of the jurisdictional minimum of this Court.
2 Intel reserves the right to conform its claim for damages consistent with proof at trial.

3 **PRAYER**

4 WHEREFORE, plaintiff Intel prays for judgment as follows:

5 **On The First Cause of Action:**

6 1. For a declaration the Intel's contentions as set forth above are correct, including
7 without limitation that the Underlying Litigation is covered under the ICSOP Policy;

8 **On The Second Cause of Action:**

9 2. For damages according to proof at the time of trial, but no less than \$23 million,
10 plus interest;

11 3. For its reasonable attorneys' fees incurred in its efforts to obtain the benefits due
12 under the ICSOP Policy;

13 **On The Third Cause of Action:**

14 4. For a declaration the Intel's contentions as set forth above are correct, including
15 without limitation that the Underlying Litigation is covered under the ICSOP Policy;

16 **On The Fourth Cause of Action:**

17 5. For damages according to proof at the time of trial, but no less than \$23 million,
18 plus interest;

19 6. For its reasonable attorneys' fees and costs incurred in its efforts to obtain the
20 benefits due under the ICSOP Policy;

21 **On The Fifth Cause of Action:**

22 7. For damages according to proof at the time of trial, but no less than \$23 million,
23 plus interest;

24 ///

25 ///

26 ///

27 ////

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E-FILED: Jul 1, 2008 4:07 PM, Superior Court of CA, County of Santa Clara, Case #1-08-CV-116396 Filing #G-9502

1 On All Causes of Action:

2 8. For its costs of suit incurred herein; and

3 9. For such other and further relief as may be deemed just and proper.

4
5 Dated: July 1, 2008

HOWREY LLP

6
7 By: 

8 Lester O. Brown
9 Attorneys for Plaintiff
Intel Corporation

E-FILED: Jul 1, 2008 4:07 PM, Superior Court of CA, County of Santa Clara, Case #1-08-CV-116396 Filing #G-9502

DEMAND FOR JURY TRIAL

Plaintiff Intel respectfully requests that a jury hear all issues properly submitted to a jury.

Dated: July 1, 2008

HOWREY LLP

By:

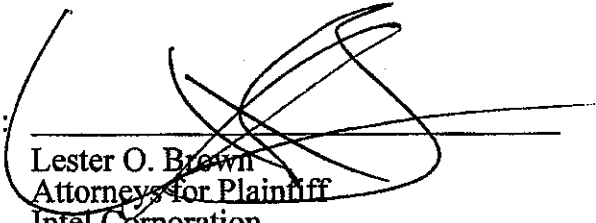

Lester O. Brown
Attorneys for Plaintiff
Intel Corporation

EXHIBIT A

Commercial Umbrella Policy

Declarations

Policy Number: HFL 004-27-84-98

Date issued: 5/8/98

Renewal or replacement of: HFL 004-27-84-97

Item Named Insured & Address:

1. Intel Corporation (and as per Endt. #3)
2200 Mission College Blvd.
P. O. Box 58119, Stop SC4-212
Santa Clara, CA 95052-8119

2. **Policy Period:** Policy covers from 4/1/98 to 4/1/2001 12:01 A.M. Standard Time at the Named Insured's address stated above.

3. **Coverage is provided by:** Winterthur International America Insurance Company

Representative: Ms. Angela Bacon

Agent or Broker: Sedgwick James of CA, Inc.
Office Address: P. O. Box 7601
Town, State & Zip: San Francisco, CA 94120-7601

4. **Limits of Insurance** - as in Insuring Agreement VI (The Limits of Insurance are the amounts shown below:)

(A) Each Occurrence Limit	\$ 10,000,000
(B) General Aggregate Limit (Other than Products/Completed Operations)	\$ N/A
(C) Products/Completed Operations Aggregate Limit	\$ N/A
(D) Combined Aggregate Limit	\$ 10,000,000
(E) Self-Insured Retention	\$ 5,000,000
Aggregate	\$ 5,000,000

5. **Policy Jacket, Forms and Endorsements attached to this policy at inception:**

Manuscript Policy Form, Schedule of Underlying Insurance and Endorsements #1, #2 and #3

6. **Premium is payable:**

\$ 310,250.00 Annual Minimum Premium

Countersigned by  _____
Authorized Representative

These Declarations, together with the Commercial Policy and Endorsements, if any, are issued as part of and in the completion of the above numbered policy.

Schedule A - Schedule of Underlying Insurance

Policy Number: HFL 004-27-84-98

Type of Policy	Applicable Limits	Insurer	Policy Number Policy Period
(A) Automobile Liability			
Policy Type and Symbol	Bodily Injury and Property Damage Combined Single Limit		
<input checked="" type="checkbox"/> Bus. Auto			
<input type="checkbox"/> Garage			
<input type="checkbox"/> Truckers			
	\$ 5,000,000 Each Accident	Cigna	SCAH0695792-4
	\$ 5,000,000 Aggregate	Insurance Co.	4/1/98 - 99
(B) General Liability			
	Bodily Injury and Property Damage Combined Single Limit		
	\$ 5,000,000 Each Occurrence	Indemnity Ins. Co.	CGOG1807212
	\$ 5,000,000 Aggregate When Applicable	of N. America	4/1/98 - 99
(C) Employers Liability			
	Coverage B - Employers Liability	Wausau	23180005671
	Bodily Injury by Accident		7/1/97 - 98
	\$ 1,000,000 Each Accident		
	Bodily Injury By Disease		
	\$ 1,000,000 Policy Limit		
	Bodily Injury By Disease		
	\$ 1,000,000 Each Employee		
(D) Foreign DIC			
	\$ 5,000,000 Each Occurrence Limit	Ins. Co. of the	0800263337
	\$ 5,000,000 Aggregate	State of PA	

Ent #13
E400000000 (w/1/1/1/1/1) \$10M each acc / \$10M agg. retention - no primary cover.

winterthur

General Casualty

Commercial Lines

Policyholder Notice Name Change

This notice is to inform you of a name change for Vanguard Insurance Company, the company that provides your property and casualty insurance coverage. Effective January 1, 1998, the company's name will become Winterthur International America Insurance Company.

The new name shows our relationship to our parent company, Winterthur Swiss Insurance Company. The Winterthur group can provide worldwide insurance and financial services.

The new name does not reflect any change in the company's ownership or affect your insurance coverage in any way. What it means for you is that you will start seeing Winterthur International America Insurance Company instead of Vanguard Insurance Company on policyholder documents related to your insurance policy. During this transition, you may from time to time still see the Vanguard name on various forms until all old forms can be replaced.

Enclosed is an endorsement document showing Winterthur International America Insurance Company name. You should attach the endorsement to your insurance policy.

We appreciate the confidence you have placed in Winterthur International America Insurance Company, and we look forward to serving you and continuing to meet your insurance needs in the future. If you have any questions regarding your policy of insurance with us, please call us at (214) 559-1548.

Winterthur International America Insurance Company



Our Commitment

Ordinarily, policyholders and brokers are not made aware of a company's underwriting and claims services until a problem arises or a loss occurs. At Winterthur International, we believe that these services represent an essential component of our Insuring Agreement. On that basis, we would like to explain why our services are a significant part of the Winterthur International difference.

The cornerstones of our Service Commitment are:

- A dedicated key account executive/underwriting/claims examiner team fully devoted to your account and always ready to be of service. Your team:

Key Account Executive: George R. Keller

Direct Dial Number: (214) 559-1457

Fax Number: (214) 559-1321

Underwriter: Chris Holborn

Direct Dial Number: (214) 559-1047

Fax Number: (214) 559-1321

Assistant Underwriter: Donna Richardson

Direct Dial Number: (214) 559-5803

Fax Number: (214) 559-1321

Claims Examiner: Phil Oglesby

Direct Dial Number: (214) 559-1574

Fax Number: (214) 559-1321

Engineering Contact: _____

Direct Dial Number: _____

Fax Number: _____

- Communication response:
 - Phone calls returned within 24 hours
 - Written correspondence acknowledged within three working days
- Contact with the insured within 24 hours of claim notification
- Claims payment within 48 hours of receipt of the settlement documents

Another hallmark of our service is the accessibility, responsiveness and professionalism of our staff. We would like to know your wishes as to modifications or additions to these service commitments. We look forward to serving you.

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INTEL CORPORATION

1998 - 1999

**COMMERCIAL COMPREHENSIVE CATASTROPHE
LIABILITY DRAFT POLICY**

IN CONSIDERATION OF THE PAYMENT OF PREMIUM AND IN RELIANCE UPON THE STATEMENTS IN THE DECLARATIONS AND SUBJECT TO THE LIMIT OF LIABILITY, EXCLUSIONS, CONDITIONS, AND OTHER TERMS OF THIS POLICY, THE COMPANY NAMED IN THE DECLARATIONS (AGREES WITH THE FIRST NAMED INSURED TO PROVIDE COVERAGE AS FOLLOWS:

INSURING AGREEMENTS

I. COVERAGE

THE COMPANY AGREES TO PAY ON BEHALF OF THE INSURED THE ULTIMATE NET LOSS IN EXCESS OF THE RETAINED LIMIT HEREINAFTER STATED, WHICH THE INSURED MAY SUSTAIN BY REASON OF THE LIABILITY IMPOSED UPON THE INSURED BY LAW, OR ASSUMED BY THE INSURED UNDER CONTRACT, FOR:

- (A) BODILY INJURY ,
- (B) PERSONAL INJURY ,
- (C) PROPERTY DAMAGE ,
- (D) ADVERTISING LIABILITY,
- (E) PROFESSIONAL LIABILITY, OR
- (F) SOFTWARE PRODUCTS LIABILITY.

WHICH OCCURS DURING THE POLICY PERIOD AND ARISES OUT OF AN OCCURRENCE.

IN ANY JURISDICTION WHERE, BY REASON OF LAW OR STATUTE, THIS POLICY IS INVALID AS A "PAY ON BEHALF" OF CONTRACT, THE COMPANY AGREES TO INDEMNIFY THE INSURED FOR ULTIMATE NET LOSS IN EXCESS OF THE RETAINED LIMIT.

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II. DEFENSE SETTLEMENT

WITH RESPECT TO ANY OCCURRENCE COVERED BY THE TERMS AND CONDITIONS OF THIS POLICY, AND WHERE THE INSURED'S APPLICABLE RETAINED LIMIT HAS BEEN EXHAUSTED, AND SUBJECT TO CONDITION D OF THIS POLICY, THE COMPANY SHALL DEFEND ANY SUIT AGAINST THE INSURED ALLEGING SUCH INJURY OR DESTRUCTION AND SEEKING DAMAGES ON ACCOUNT THEREOF, EVEN IF SUCH SUIT IS GROUNDLESS, FALSE, OR FRAUDULENT, AND TO PAY ALL ALLOCATED CLAIMS EXPENSES ; BUT THE COMPANY MAY MAKE SUCH INVESTIGATION, NEGOTIATION, AND SETTLEMENT OF ANY CLAIM OR SUIT AS IT DEEMS EXPEDIENT. THE COMPANY'S DUTY TO DEFEND WILL END WHEN THE COMPANY HAS USED UP THE APPLICABLE LIMIT OF LIABILITY IN THE PAYMENT OF ULTIMATE NET LOSS.

IN JURISDICTIONS WHERE THE COMPANY MAY BE PREVENTED BY LAW OR OTHERWISE FROM CARRYING OUT THIS AGREEMENT, THE COMPANY SHALL PAY ANY EXPENSE INCURRED BY ANY INSURED WITH ITS WRITTEN CONSENT IN ACCORDANCE WITH THIS AGREEMENT.

III. DEFINITIONS

(A) NAMED INSURED AND INSURED

NAMED INSURED MEANS THE PERSON OR ORGANIZATION NAMED IN ITEM 1 OF THE DECLARATIONS OF THIS POLICY, AND:

(1) ANY SUBSIDIARY COMPANY (INCLUDING SUBSIDIARIES THEREOF) OF THE NAMED INSURED; AND ANY OTHER COMPANY OR JOINT VENTURE, AS DEFINED IN SUBPARAGRAPH (4), BELOW BUT ONLY TO THE EXTENT DESCRIBED IN SUBPARAGRAPH (4) BELOW

(A) EXISTING AT THE INCEPTION DATE OF THIS POLICY, OR

(B) CREATED OR ACQUIRED SUBSEQUENT THEREOF AS TO ANY OCCURRENCE HAPPENING ON OR AFTER THE DATE OF SUCH CREATION OR ACQUISITION OR ANY OTHER DATE AS MAY BE AGREED IN WRITING BETWEEN THE FIRST NAMED INSURED AND THE COMPANY ;

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- (2) IF THE NAMED INSURED IS AN INDIVIDUAL, THEIR SPOUSE, IF A RESIDENT OF THE SAME HOUSEHOLD, BUT THIS POLICY SHALL ONLY APPLY TO THE CONDUCT OF A BUSINESS OR BUSINESS PROPERTIES OF WHICH THE NAMED INSURED IS THE SOLE PROPRIETOR, OR TO THE OWNERSHIP, MAINTENANCE, OR USE OF AN AUTOMOBILE;
- (3) IF THE NAMED INSURED IS DESIGNATED IN THE DECLARATIONS AS A PARTNERSHIP OR JOINT VENTURE, THE PARTNERSHIP OR JOINT VENTURE SO DESIGNATED AND ANY PARTNER OR MEMBER THEREOF, BUT ONLY WITH RESPECT TO THEIR LIABILITY AS SUCH;
- (4) IRRESPECTIVE OF WHETHER THE NAMED INSURED DESIGNATED IN THE DECLARATIONS IS A JOINT VENTURE, PARTNERSHIP OR ANY OTHER ORGANIZATION, THE INTEREST OF THE NAMED INSURED IN THE OPERATIONS OR THE EXISTENCE OF ANY JOINT VENTURE, CO-VENTURE, JOINT LEASE, JOINT OPERATION AGREEMENT, LIMITED LIABILITY COMPANY OR PARTNERSHIP (HEREINAFTER CALLED "JOINT VENTURE"):
 - (a) THE LIABILITY OF THE COMPANY UNDER THIS POLICY SHALL BE LIMITED TO THE NAMED INSURED'S LIABILITY ARISING OUT OF SUCH JOINT VENTURE, AND THE TOTAL LIMIT OF LIABILITY INSURANCE AFFORDED SUCH NAMED INSURED BY THIS POLICY SHALL BE AVAILABLE WITH RESPECT THERETO. THE NAMED INSURED'S LIABILITY ARISING OUT OF A JOINT VENTURE SHALL BE DETERMINED BY THE PRODUCT OF (A) THE PERCENTAGE OF THE INTEREST OF THE NAMED INSURED IN SUCH LIABILITY IN SUCH JOINT VENTURE, AND (B) THE TOTAL LEGAL LIABILITY OF THE JOINT VENTURE TO THE CLAIMANT. SUCH PERCENTAGE SHALL BE INCREASED BY THE INSOLVENCY OF OTHERS OR BY ANY GREATER LIABILITY IMPOSED UPON SUCH NAMED INSURED INTERESTED IN SUCH JOINT VENTURE, .

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- (b) NOTWITHSTANDING THE PROVISIONS OF (A)(4)(a) ABOVE, IF THE NAMED INSURED HAS SOLE RESPONSIBILITY FOR THE MANAGEMENT OR OPERATION OF THE JOINT VENTURE, THEN THIS POLICY SHALL COVER THE JOINT VENTURE IN THE SAME MANNER AS THE NAMED INSURED IS COVERED HEREUNDER.
- (c) NOTWITHSTANDING THE PROVISIONS OF (A)(4)(a) ABOVE, IF THE NAMED INSURED IS OBLIGATED TO PROVIDE FULL INSURANCE FOR THE JOINT VENTURE, THEN THIS POLICY SHALL COVER THE JOINT VENTURE IN THE SAME MANNER AS THE NAMED INSURED IS COVERED HEREUNDER.

THE UNQUALIFIED WORD INSURED, WHEREVER USED, INCLUDES THE NAMED INSURED AND ALSO:

- (5) ANY PERSON, ORGANIZATION, TRUSTEE, OR ESTATE TO WHOM OR TO WHICH THE NAMED INSURED IS OBLIGATED BY VIRTUE OF A CONTRACT TO PROVIDE INSURANCE SUCH AS IS AFFORDED BY THIS POLICY BUT A) ONLY TO THE EXTENT SUCH INSURANCE IS REQUIRED BY SUCH CONTRACT, AND B) ONLY WITH RESPECT TO OPERATIONS BY OR ON BEHALF OF THE NAMED INSURED, OCCURRENCES WITHIN THE PRODUCTS HAZARD OR COMPLETED OPERATIONS HAZARD OR TO FACILITIES OF OR USED BY THE NAMED INSURED;
- (6) ANY EXECUTIVE OFFICER, DIRECTOR, OR STOCKHOLDER THEREOF WHILE WITHIN THE SCOPE OF HIS DUTIES AS SUCH;
- (7) AT THE OPTION OF THE NAMED INSURED AND SUBJECT TO THE TERMS OF THE COVERAGE OF THIS INSURANCE, ANY EMPLOYEE OF THE NAMED INSURED, OTHER THAN AN EXECUTIVE OFFICER, WHILE WITHIN THE SCOPE OF HIS DUTIES AS SUCH; AND

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- (8) WITH RESPECT TO THE OWNERSHIP, MAINTENANCE, OR USE, INCLUDING LOADING OR UNLOADING, OF ANY AUTOMOBILE, OR NON-OWNED WATERCRAFT, ANY PERSON, INCLUDING EMPLOYEES OF THE INSURED, AND ANY PERSON OR ORGANIZATION LEGALLY RESPONSIBLE FOR THE USE THEREOF, PROVIDED THE ACTUAL OPERATION OR OTHER ACTUAL USE OF THE NON-OWNED WATERCRAFT IS BY OR ON BEHALF OF THE INSURED AND WITH THE INSURED'S PERMISSION (THE GRANTING OF SUCH PERMISSION SHALL NOT BE DEEMED TO HAVE BEEN ABROGATED BY THE EXISTENCE OF ANY DIRECTIVE OR CORPORATE POLICY RESTRICTING THE USE OF SUCH WATERCRAFT); PROVIDED FURTHER THAT THIS INSURANCE SHALL BE IN EXCESS OF ANY OTHER INSURANCE THAT IS AVAILABLE TO ANY PERSON, INCLUDING EMPLOYEES OF THE INSURED, OR ORGANIZATION WITH RESPECT TO THE USE OF ANY AUTOMOBILE NOT OWNED BY THE INSURED AND USED IN THE BUSINESS OF THE INSURED.

(B) BODILY INJURY

BODILY INJURY MEANS:

BODILY INJURY, SICKNESS, DISEASE, DISABILITY, SHOCK, MENTAL ANGUISH, AND MENTAL INJURY, INCLUDING DEATH AT ANY TIME RESULTING THEREFROM.

(C) PERSONAL INJURY

PERSONAL INJURY MEANS INJURY ARISING OUT OF OFFENSES SUCH AS, BUT NOT LIMITED TO, LIBEL, SLANDER, DEFAMATION OF CHARACTER, DISCRIMINATION, FALSE ARREST, FALSE IMPRISONMENT, WRONGFUL EVICTION, WRONGFUL DETENTION, MALICIOUS PROSECUTION, HARASSMENT, INVASION OF RIGHT OF PRIVACY, OR HUMILIATION WHICH OCCURS DURING THE POLICY SUSTAINED BY A NATURAL PERSON OR ORGANIZATION, BUT EXCLUDING ANY SUCH INJURY INCLUDED WITHIN THE DEFINITION OF ADVERTISING LIABILITY.

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(D) PROPERTY DAMAGE

PROPERTY DAMAGE MEANS:

- (1) PHYSICAL INJURY TO OR DESTRUCTION OF TANGIBLE PROPERTY WHICH OCCURS DURING THE POLICY PERIOD, INCLUDING THE LOSS OF USE THEREOF AT ANY TIME RESULTING THEREFROM; OR**
- (2) LOSS OF USE OF TANGIBLE PROPERTY WHICH HAS NOT BEEN PHYSICALLY INJURED OR DESTROYED, PROVIDED SUCH LOSS OF USE IS CAUSED BY AN OCCURRENCE DURING THE POLICY PERIOD**

(E) ADVERTISING LIABILITY

ADVERTISING LIABILITY MEANS INJURY ARISING OUT OF OFFENSES SUCH AS, BUT NOT LIMITED TO, LIBEL, SLANDER, DEFAMATION, INFRINGEMENT OF COPYRIGHT, TITLE (INCLUDING TRADEMARK) OR SLOGAN, PIRACY, UNFAIR COMPETITION, IDEA MISAPPROPRIATION (INCLUDING TRADE SECRETS), BREACH OF CONFIDENTIAL INFORMATION, ELECTRONIC MAIL INTERCEPTS, MISAPPROPRIATION OF THE STYLE OF DOING BUSINESS (INCLUDING WEBSITE/HOMEPAGE DESIGN), OR INVASION OF RIGHTS OF PRIVACY COMMITTED, OR ALLEGED TO HAVE BEEN COMMITTED, IN ANY SOFTWARE, ADVERTISEMENT, PROMOTION, PUBLICITY ARTICLE, BROADCAST, OR TELECAST.

(F) ULTIMATE NET LOSS

ULTIMATE NET LOSS MEANS THE TOTAL OF THE FOLLOWING SUMS WITH RESPECT TO EACH OCCURRENCE:

ALL SUMS WHICH THE INSURED IS LEGALLY OBLIGATED TO PAY AS DAMAGES WHETHER BY REASON OF ADJUDICATION OR SETTLEMENT, BECAUSE OF BODILY INJURY, PERSONAL INJURY, PROPERTY DAMAGE, ADVERTISING LIABILITY, PROFESSIONAL LIABILITY OR SOFTWARE PRODUCTS LIABILITY TO WHICH THIS POLICY APPLIES AND ALLOCATED CLAIMS EXPENSES.

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(G) ALLOCATED CLAIMS EXPENSES

ALLOCATED CLAIMS EXPENSES MEANS:

- (1) ALL EXPENSES INCURRED BY THE INSURED OR THE COMPANY IN CONNECTION WITH THE INVESTIGATION OF CLAIMS, ADJUSTMENT OF CLAIMS, AND THE SETTLEMENT OR TRIAL OF SUITS, ALL COSTS TAXED AGAINST THE INSURED IN ANY SUCH SUIT AND ALL INTEREST ON THE ENTIRE AMOUNT OF JUDGMENT THEREIN WHICH ACCRUES AFTER ENTRY OF THE JUDGMENT AND BEFORE THE COMPANY HAS PAID OR TENDERED OR DEPOSITED IN COURT THAT PART OF THE JUDGMENT WHICH DOES NOT EXCEED THE LIMIT OF THE COMPANY'S LIABILITY THEREIN, AND INCLUDES AMOUNTS ACTUALLY PAID BY THE COMPANY;**
- (2) TO ATTORNEYS, EXPERTS, APPRAISERS, PHOTOGRAPHERS, ADJUSTERS, PRINTERS, STENOGRAPHERS, OR OTHERS (NOT ON SALARY IN THE EMPLOYMENT OF THE COMPANY) AND FOR HOSPITAL, MEDICAL, NURSING, AND FUNERAL CHARGES AND FOR SERVICES IN CONNECTION WITH THE INVESTIGATION AND SETTLEMENT OF CLAIMS AND THE DEFENSE OF LEGAL PROCEEDINGS AGAINST THE INSURED(S);**
- (3) FOR ALL PREMIUMS ON APPEAL BONDS REQUIRED IN ANY SUCH SUIT AND ALL PREMIUMS ON BONDS TO RELEASE ATTACHMENTS IN ANY SUCH SUIT FOR AN AMOUNT NOT IN EXCESS OF THE APPLICABLE LIMIT OF LIABILITY OF THIS POLICY, BUT WITHOUT OBLIGATION TO APPLY FOR OR FURNISH ANY SUCH BONDS;**
- (4) FOR FEES AND EXPENSES OF WITNESSES; AND**
- (5) FOR SALARIES AND EXPENSES OF THE NAMED INSURED'S EMPLOYEES INCURRED IN CONNECTION WITH THE INVESTIGATION OF CLAIMS, ADJUSTMENT OF CLAIMS, AND THE SETTLEMENT OR TRIAL OF SUITS PROVIDED THAT SUCH EMPLOYEES ARE HIRED BY THE NAMED INSURED FOR THE PRIMARY PURPOSE OF INVESTIGATING, ADJUSTING AND SETTLING SUCH CLAIMS OR SUITS.**

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(G) PRODUCTS HAZARD

PRODUCTS HAZARD MEANS THE HANDLING OR USE OF OR THE EXISTENCE OF ANY CONDITION IN OR A WARRANTY OF GOODS OR PRODUCTS MANUFACTURED, SOLD, HANDLED OR DISTRIBUTED BY THE NAMED INSURED OR BY OTHERS TRADING UNDER ITS NAME, IF THE OCCURRENCE HAPPENS AFTER POSSESSION OF SUCH GOODS OR PRODUCTS HAS BEEN RELINQUISHED TO OTHERS BY THE NAMED INSURED OR BY OTHERS TRADING UNDER ITS NAME AND IF SUCH OCCURRENCE HAPPENS AWAY FROM THE PREMISES OWNED BY, RENTED TO OR CONTROLLED BY THE NAMED INSURED; PROVIDED SUCH GOODS OR PRODUCTS SHALL BE DEEMED TO INCLUDE ANY CONTAINER THEREOF, OTHER THAN A VEHICLE, BUT SHALL NOT INCLUDE ANY VENDING MACHINE OR ANY PROPERTY, OTHER THAN SUCH CONTAINER RENTED TO OR LOCATED FOR USE OF OTHERS BUT NOT SOLD.

(H) COMPLETED OPERATIONS HAZARD

COMPLETED OPERATIONS HAZARD MEANS OPERATIONS COMPLETED BY OR ON BEHALF OF THE INSURED AND INCLUDES RELIANCE UPON A REPRESENTATION OR WARRANTY MADE AT ANY TIME WITH RESPECT THERETO, BUT ONLY IF THE OCCURRENCE HAPPENS AFTER SUCH OPERATIONS HAVE BEEN COMPLETED OR ABANDONED AND OCCURS AWAY FROM PREMISES OWNED BY OR RENTED TO THE NAMED INSURED. "OPERATIONS" INCLUDE MATERIALS, PARTS OR EQUIPMENT FURNISHED IN CONNECTION THEREWITH. OPERATIONS SHALL BE DEEMED COMPLETED AT THE EARLIEST OF THE FOLLOWING TIMES:

- (1) WHEN ALL OPERATIONS TO BE PERFORMED BY OR ON BEHALF OF THE NAMED INSURED UNDER THE CONTRACT HAVE BEEN COMPLETED;
- (2) WHEN ALL OPERATIONS TO BE PERFORMED BY OR ON BEHALF OF THE NAMED INSURED AT THE SITE OF THE OPERATIONS HAVE BEEN COMPLETED; OR
- (3) WHEN THE PORTION OF THE WORK OUT OF WHICH THE OCCURRENCE ARISES HAS BEEN PUT TO ITS INTENDED USE BY ANY PERSON OR ORGANIZATION OTHER THAN ANOTHER CONTRACTOR OR SUBCONTRACTOR ENGAGED IN PERFORMING OPERATIONS FOR A PRINCIPAL AS A PART OF THE SAME PROJECT.

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OPERATIONS WHICH MAY REQUIRE FURTHER SERVICE OR MAINTENANCE WORK, OR CORRECTION, REPAIR, OR REPLACEMENT BECAUSE OF ANY DEFECT OR DEFICIENCY, BUT WHICH ARE OTHERWISE COMPLETE, SHALL BE DEEMED COMPLETE.

THE COMPLETED OPERATIONS HAZARD DOES NOT INCLUDE OCCURRENCES ARISING OUT OF:

- (1) OPERATIONS IN CONNECTION WITH THE TRANSPORTATION OF PROPERTY, UNLESS THE OCCURRENCE ARISES OUT OF A CONDITION IN OR ON A VEHICLE CREATED BY THE LOADING OR UNLOADING THEREOF; OR
- (2) THE EXISTENCE OF TOOLS, UNINSTALLED EQUIPMENT, OR ABANDONED OR UNUSED MATERIALS.

(I) **OCCURRENCE**

OCCURRENCE MEANS:

- (1) WITH RESPECT TO BODILY INJURY OR PROPERTY DAMAGE, AN ACCIDENT OR INJURIOUS EXPOSURE TO CONDITIONS WHICH RESULT IN BODILY INJURY OR PROPERTY DAMAGE DURING THE POLICY PERIOD NEITHER EXPECTED NOR INTENDED FROM THE STANDPOINT OF THE INSURED. ALL DAMAGES ARISING OUT OF SUCH EXPOSURE TO SUBSTANTIALLY THE SAME GENERAL CONDITIONS SHALL BE CONSIDERED AS ARISING OUT OF ONE OCCURRENCE;
- (2) WITH RESPECT TO PERSONAL INJURY, AN OFFENSE WHICH RESULTS IN PERSONAL INJURY DURING THE POLICY PERIOD, OTHER THAN AN OFFENSE COMMITTED WITH ACTUAL MALICE, THE WILLFUL VIOLATION OF A PENAL STATUTE OR ORDINANCE COMMITTED BY OR WITH THE KNOWLEDGE OR CONSENT OF THE INSURED OR ARISING OUT OF THE NAMED INSURED'S ADVERTISING ACTIVITIES. ALL DAMAGES ARISING OUT OF SUCH EXPOSURE TO SUBSTANTIALLY THE SAME GENERAL CONDITIONS SHALL BE CONSIDERED AS ARISING OUT OF ONE OCCURRENCE;

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- (3) WITH RESPECT TO ADVERTISING LIABILITY, AN OFFENSE WHICH RESULTS IN ADVERTISING LIABILITY ARISING OUT OF THE NAMED INSURED'S ADVERTISING ACTIVITIES. ALL DAMAGES INVOLVING THE SAME INJURIOUS MATERIAL OR ACT, REGARDLESS OF THE FREQUENCY OR REPETITION THEREOF, THE NUMBER OR KIND OF MEDIA USED, AND THE NUMBER OF CLAIMANTS, AND ALL SUCH DAMAGES SHALL BE CONSIDERED AS ARISING OUT OF ONE OCCURRENCE;
- (4) WITH RESPECT TO PROFESSIONAL LIABILITY, MALPRACTICE, AN ACT, ERROR, OMISSION, OR OTHER BREACH OF PROFESSIONAL DUTY. ALL DAMAGES ARISING OUT OF THE SAME MALPRACTICE, ACT, ERROR, OMISSION OR OTHER BREACH OF PROFESSIONAL DUTY SHALL BE CONSIDERED AS ARISING OUT OF ONE OCCURRENCE; AND
- (5) WITH RESPECT TO SOFTWARE PRODUCTS LIABILITY, A NEGLIGENT ACT, ERROR OR OMISSION BY OR ON BEHALF OF THE INSURED. ALL DAMAGES ARISING OUT OF THE SAME NEGLIGENT ACT, ERROR OR OMISSION SHALL BE CONSIDERED AS ARISING OUT OF ONE OCCURRENCE. IT IS AGREED THAT THE DATE OF THE OCCURRENCE AS TO SOFTWARE PRODUCTS LIABILITY SHALL BE THE DATE THAT THE INSURED RELINQUISHED CONTROL TO OTHERS OF THE SOFTWARE PRODUCT OR COMPLETED PERFORMANCE OF OTHER COMPUTER SERVICES FOR OTHERS.

IT IS FURTHER AGREED THAT INTENTIONAL ACTS OF THE INSURED TAKEN IN DEFENSE OF PROPERTY OR PERSONS SHALL BE DEEMED AN OCCURRENCE AND INSURED UNDER THIS POLICY.

- (J) SOFTWARE PRODUCTS LIABILITY *and Other Computer Services Liability* *See*
and Other Computer Services Liability *Ent 14*
SOFTWARE PRODUCTS LIABILITY MEANS:

INJURY, LOSS OR DAMAGE ARISING OUT OF THE FAILURE TO PERFORM OTHER COMPUTER SERVICES OR THE FAILURE OF THE INSURED'S SOFTWARE PRODUCTS TO PERFORM THE FUNCTION OR SERVE THE PURPOSE INTENDED.

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(J1) OTHER COMPUTER SERVICES

OTHER COMPUTER SERVICES MEAN:

ELECTRONIC DATA PROCESSING AND SOFTWARE CONSULTING, ANALYSIS OR DESIGN. *All electronic data processing services, including, but not limited to website design, hosting and support software consulting, analysis or design (See End 14)*

(J2) SOFTWARE PRODUCTS

SOFTWARE PRODUCTS MEAN:

COMPUTER SOFTWARE AND PROGRAMMING WHICH YOU OR OTHERS TRADING UNDER YOUR NAME CREATED, MANUFACTURED, SOLD, LICENSED, HANDLED OR DISTRIBUTED. HOWEVER, SOFTWARE PRODUCTS DOES NOT INCLUDE ANY FIRMWARE, MICROCODE, ALGORITHMS OR INSTRUCTION SETS YOU INCORPORATE INTO SEMICONDUCTOR PRODUCTS (MICROPROCESSORS, LOGIC DEVICES, MICROCONTROLLERS OR MEMORY DEVICES) YOU DESIGN, CREATE MANUFACTURE OR SELL.

(K) PROFESSIONAL LIABILITY

PROFESSIONAL LIABILITY MEANS:

INJURY OR DAMAGE ARISING OUT OF SERVICES AS A PHYSICIAN, SURGEON, DENTIST, MEDICAL OR DENTAL TECHNICIAN, NURSE OR OTHER MEDICAL OR PARAMEDICAL PERSON, ACCOUNTANTS, ARCHITECTS, ATTORNEYS, ENGINEERS, MANAGERS, ADMINISTRATORS AND SIMILAR NON-MEDICAL TECHNICIANS PROVIDED THAT

- (A) SUCH SERVICES ARE PROVIDED WITHIN HIS/HER CAPACITY AS AN EMPLOYEE OF THE INSURED, OR**
- (B) THE INSURED IS OTHERWISE LEGALLY RESPONSIBLE FOR SUCH PERSON'S SERVICES AND SUCH SERVICES ARE NOT PROVIDED TO A THIRD PARTY FOR A FEE.**

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(L) ANNUAL PERIOD

ANNUAL PERIOD MEANS:

THE TERM ANNUAL PERIOD MEANS EACH CONSECUTIVE PERIOD OF ONE YEAR COMMENCING FROM THE INCEPTION DATE OF THIS POLICY.

(M) AUTOMOBILE

AUTOMOBILE MEANS:

ANY LAND MOTOR VEHICLE, TRAILER, OR SEMITRAILER BUT AUTOMOBILE SHALL NOT INCLUDE ANY OF THE FOLLOWING TYPES OF LAND VEHICLES, INCLUDING ANY ATTACHED MACHINERY OR EQUIPMENT:

- A. BULLDOZERS, FARM MACHINERY, FORKLIFTS AND OTHER VEHICLES DESIGNED FOR USE PRINCIPALLY OFF PUBLIC ROADS;**
- B. VEHICLES MAINTAINED FOR USE SOLELY ON OR NEXT TO PREMISES YOU WON OR RENT;**
- C. VEHICLES THAT TRAVEL ON CRAWLER TREADS;**
- D. VEHICLES WHETHER SELF-PROPELLED OR NOT, MAINTAINED PRIMARILY TO PROVIDE MOBILITY TO PERMANENTLY MOUNTED:**
 - (1) POWER CRANES, SHOVELS, LOADERS, DIGGERS OR DRILLS; OR**
 - (2) ROAD CONSTRUCTION OR RESURFACING EQUIPMENT SUCH AS GRADERS, SCRAPERS OR ROLLERS;**
- E. VEHICLES NOT DESCRIBED IN A., B., C., OR D. ABOVE THAT ARE OT SELF-PROPELLED AND ARE MAINTAINED PRIMARILY TO PROVIDE MOBILITY TO PERMANENTLY ATTACHED EQUIPMENT OF THE FOLLOWING TYPES:**

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- (1) AIR COMPRESSORS, PUMPS AND GENERATORS INCLUDING SPRAYING, WELDING, BUILDING CLEANING, GEOPHYSICAL EXPLORATION, LIGHTING AND WELL SERVICING EQUIPMENT; OR
- (2) CHERRY PICKERS AND SIMILAR DEVICES USED TO RAISE OR LOWER WORKERS;

F. VEHICLES NOT DESCRIBED IN A., B., C. OR D. ABOVE MAINTAINED PRIMARILY FOR PURPOSES OTHER THAN THE TRANSPORTATION OF PERSONS OR CARGO.

HOWEVER, SELF-PROPELLED VEHICLES WITHIN THE FOLLOWING TYPES OF PERMANENTLY ATTACHED EQUIPMENT ARE CONSIDERED AUTOMOBILES;

- (1) EQUIPMENT DESIGNED PRIMARILY FOR:
 - (A) SNOW REMOVAL;
 - (B) ROAD MAINTENANCE, BUT NOT CONSTRUCTION OR RESURFACING; OR
 - (C) STREET CLEANING;
- (2) CHERRY PICKERS AND SIMILAR DEVICES MOUNTED ON AU AUTOMOBILE OR TRUCK CHASSIS AND USED TO RAISE OR LOWER WORKERS; AND
- (3) AIR COMPRESSORS, PUMPS AND GENERATORS, INCLUDING SPRAYING, WELDING, BUILDING CLEANING, GEOPHYSICAL EXPLORATION, LIGHTING AND WELL SERVICING EQUIPMENT.

(N) LOADING AND UNLOADING

LOADING AND UNLOADING MEANS:

THE HANDLING OR PROPERTY:

- A. AFTER IT IS MOVED FROM THE PLACE WHERE IT IS ACCEPTED FOR MOVEMENT INTO OR ONTO AN AIRCRAFT, WATERCRAFT OR AUTOMOBILE;

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- B. WHILE IT IS IN OR ON AN AIRCRAFT, WATERCRAFT OR AUTOMOBILE; OR
- C. WHILE IT IS BEING MOVED FROM AN AIRCRAFT, WATERCRAFT OR AUTOMOBILE TO THE PLACE WHERE IT IS FINALLY DELIVERED.

(M) AIRCRAFT PRODUCTS

AIRCRAFT PRODUCTS MEAN:

- 1. AIRCRAFT (INCLUDING MISSILES OR SPACECRAFT) OR ANY PORTION THEREOF;
- 2. GROUND SUPPORT OR CONTROL EQUIPMENT USED WITH AIRCRAFT; OR
- 3. ANY ARTICLE DESIGNATED OR MANUFACTURED FOR USE ON AIRCRAFT, OR FOR USE IN THE CONTROL, MAINTENANCE OR OPERATION OF AIRCRAFT.

(N) FIRST NAMED INSURED

FIRST NAMED INSURED MEANS:

INTEL CORPORATION

IV. POLICY PERIOD, TERRITORY

THIS POLICY APPLIES TO OCCURRENCES ARISING OR HAPPENING ANYWHERE DURING THE POLICY PERIOD.

IN THE EVENT BODILY INJURY, PERSONAL INJURY, PROPERTY DAMAGE, ADVERTISING LIABILITY, PROFESSIONAL LIABILITY OR SOFTWARE PRODUCTS LIABILITY ARISING OUT OF AN OCCURRENCE COVERED HEREUNDER IS CONTINUING AT THE TIME OF THE TERMINATION OF THIS POLICY, THE COMPANY WILL CONTINUE TO PROTECT THE INSURED FOR LIABILITY WITH RESPECT TO SUCH BODILY INJURY, PERSONAL INJURY, PROPERTY DAMAGE, ADVERTISING LIABILITY, PROFESSIONAL LIABILITY OR SOFTWARE PRODUCTS LIABILITY WITHOUT PAYMENT OF ADDITIONAL PREMIUMS.

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Revised See End #7

V. RETAINED LIMIT

- (A) THE COMPANY'S LIABILITY SHALL BE ONLY FOR THE ULTIMATE NET LOSS IN EXCESS OF THE INSURED'S RETAINED LIMIT WHICH IS DEFINED AS THE SELF-INSURED RETAINED AMOUNT AS STATED IN THE DECLARATIONS AS THE RESULT OF ALL OCCURRENCES HAPPENING DURING THE POLICY PERIOD OF THIS POLICY, TO BE SATISFIED BY PAYMENTS FROM ANY SOURCE, WHICH SHALL BE BORNE BY THE INSURED, SEPARATELY AS RESPECTS EACH ANNUAL PERIOD OF THIS POLICY.
- (B) THE INSURED MAY INSURE ANY OR PART OF OR ALL OF THE RETAINED LIMIT INDICATED ABOVE OR TAKE ADVANTAGE OF ANY OTHER INSURANCE AVAILABLE TO IT WITHOUT PREJUDICE TO OR INVALIDATION OF COVERAGE UNDER THIS POLICY. IF ANY SUCH INSURANCE IS LESS THAN THE INSURED'S RETAINED LIMIT, THEN THE INSURED WILL MAKE UP THE DIFFERENCE.

VI. LIMIT OF LIABILITY

THE DECLARATIONS PAGE IS AMENDED TO READ AS FOLLOWS:

LIMIT OF LIABILITY

- (a) LIMIT IN ALL IN RESPECT OF EACH OCCURRENCE \$10,000,000 ULTIMATE NET LOSS; AND
- (b) LIMIT IN THE AGGREGATE FOR EACH ANNUAL PERIOD FOR ALL OCCURRENCES \$10,000,000 ULTIMATE NET LOSS

THE COMPANY'S LIABILITY SHALL NOT EXCEED THE AMOUNT STATED ABOVE AS THE RESULT OF ANY ONE OCCURRENCE. THERE IS NO LIMIT TO THE NUMBER OF OCCURRENCES DURING THE POLICY PERIOD FOR WHICH CLAIMS MAY BE MADE EXCEPT THAT THE LIABILITY OF THE COMPANY ON ACCOUNT OF ALL OCCURRENCES DURING EACH ANNUAL PERIOD SHALL NOT EXCEED THE AGGREGATE AMOUNT STATED ABOVE.

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VII. EXCLUSIONS

THIS POLICY SHALL NOT APPLY:

- (A) TO ANY OBLIGATION FOR WHICH THE INSURED OR ANY OF ITS INSURERS MAY BE HELD LIABLE UNDER ANY WORKERS' OR UNEMPLOYMENT COMPENSATION, DISABILITY BENEFITS OR SIMILAR LAW; PROVIDED, HOWEVER, THAT THIS EXCLUSION DOES NOT APPLY TO (1) LIABILITY OF OTHERS ASSUMED BY THE NAMED INSURED UNDER CONTRACT OR (2) STOP GAP COVERAGE;**
- (B) TO PROPERTY DAMAGE OF:**
 - (1) PROPERTY OWNED BY THE NAMED INSURED; OR**
 - (2) ANY GOODS, PRODUCTS, OR CONTAINERS THEREOF MANUFACTURED, SOLD, HANDLED OR DISTRIBUTED, OR WORK COMPLETED BY THE INSURED, OUT OF WHICH THE OCCURRENCE ARISES;**
- (C) UNDER ADVERTISING LIABILITY FOR:**
 - (1) BREACH OF A WRITTEN CONTRACT;**
 - (2) INCORRECT DESCRIPTION OF ANY ARTICLE OR COMMODITY; OR**
 - (3) MISTAKE IN ADVERTISED PRICE;**
- (D) TO BODILY INJURY, PROPERTY DAMAGE, PERSONAL INJURY, ADVERTISING LIABILITY, SOFTWARE PRODUCTS LIABILITY OR PROFESSIONAL LIABILITY ARISING OUT OF THE OWNERSHIP, MAINTENANCE, OPERATION, USE, LOADING OR UNLOADING OF ANY AIRCRAFT.**
- (E) TO ANY AND ALL LIABILITY FOR BODILY INJURY, PERSONAL INJURY, PROPERTY DAMAGE, ADVERTISING LIABILITY, SOFTWARE PRODUCTS LIABILITY OR PROFESSIONAL LIABILITY ARISING OUT OF:**

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- (1) INHALING, INGESTING, OR PROLONGED PHYSICAL EXPOSURE TO ASBESTOS OR GOODS OR PRODUCTS CONTAINING ASBESTOS; OR
- (2) THE USE OF ASBESTOS IN CONSTRUCTING OR MANUFACTURING ANY GOODS, PRODUCT, OR STRUCTURES; OR
- (3) THE REMOVAL OF ASBESTOS FROM ANY GOODS, PRODUCTS OR STRUCTURES; OR
- (4) THE MANUFACTURE, TRANSPORTATION, STORAGE, OR DISPOSAL OF ASBESTOS OR GOODS OR PRODUCTS CONTAINING ASBESTOS.

THE COVERAGE AFFORDED BY THIS POLICY DOES NOT APPLY TO PAYMENT FOR THE INVESTIGATION OR DEFENSE OF ANY LOSS, INJURY OR DAMAGE OR ANY COST, FINE OR PENALTY OR FOR ANY EXPENSE OR CLAIM OR SUIT RELATED TO ANY OF THE ABOVE IN THIS EXCLUSION (D);

- (F) FOR ANY CLAIM OR CLAIMS MADE AGAINST THE INSURED FOR ANY BREACH OF DUTY, NEGLIGENCE, ERROR, MISSTATEMENT, MISLEADING STATEMENT, OMISSION OR OTHER ACTS ACTUALLY DONE OR WRONGFULLY ATTEMPTED BY ANY DIRECTOR AND/OR OFFICER CLAIMED AGAINST THEM SOLELY BY REASON OF THEIR CAPACITY AS SUCH.

BUT THIS EXCLUSION SHALL NOT APPLY TO PERSONAL INJURY;

- (G) TO INJURY, SICKNESS, DISEASE, DEATH, OR DESTRUCTION:

- (1) WITH RESPECT TO WHICH AN INSURED UNDER THE POLICY IS ALSO AN INSURED UNDER A NUCLEAR ENERGY LIABILITY POLICY ISSUED BY THE NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION, MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS OR NUCLEAR INSURANCE ASSOCIATION OF CANADA, OR WOULD BE AN INSURED UNDER ANY SUCH POLICY BUT FOR ITS TERMINATION UPON EXHAUSTION OF ITS LIMIT OF LIABILITY; OR
- (2) RESULTING FROM THE HAZARDOUS PROPERTIES OF NUCLEAR MATERIAL AND WITH RESPECT TO WHICH:

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- a) ANY PERSON OR ORGANIZATION IS REQUIRED TO MAINTAIN FINANCIAL PROTECTION PURSUANT TO THE ATOMIC ENERGY ACT OF 1954, OR ANY LAW AMENDATORY THEREOF; OR
 - b) THE INSURED IS, OR HAD THIS POLICY NOT BEEN ISSUED WOULD BE, ENTITLED TO INDEMNITY FROM THE UNITED STATES OF AMERICA OR ANY AGENCY THEREOF, UNDER ANY AGREEMENT ENTERED INTO BY THE UNITED STATES OF AMERICA, OR ANY AGENCY THEREOF, WITH ANY PERSON OR ORGANIZATION; OR
- (3) RESULTING FROM THE HAZARDOUS PROPERTIES OF NUCLEAR MATERIAL, IF:
- a) THE NUCLEAR MATERIAL (1) IS AT ANY NUCLEAR FACILITY OWNED BY, OR OPERATED BY OR ON BEHALF OF, AN INSURED OR (2) HAS BEEN DISPERSED THEREFROM; OR
 - b) THE NUCLEAR MATERIAL IS CONTAINED IN SPENT FUEL OR WASTE AT ANY TIME POSSESSED, HANDLED, USED, PROCESSED, STORED, TRANSPORTED OR DISPOSED OF BY OR ON BEHALF OF AN INSURED; OR
 - c) THE INJURY, SICKNESS, DISEASE, DEATH OR DESTRUCTION ARISES OUT OF THE FURNISHING BY AN INSURED OF SERVICES, MATERIALS, PARTS OR EQUIPMENT IN CONNECTION WITH THE PLANNING, CONSTRUCTION, MAINTENANCE, OPERATION, OR USE OF ANY NUCLEAR FACILITY, BUT IF SUCH FACILITY IS LOCATED WITHIN THE UNITED STATES OF AMERICA, ITS TERRITORIES OR POSSESSIONS OR CANADA, THIS SUBPARAGRAPH c. APPLIES ONLY TO INJURY TO OR DESTRUCTION OF PROPERTY AT SUCH NUCLEAR FACILITY;

AS USED HEREIN:

"HAZARDOUS PROPERTIES" INCLUDE RADIOACTIVE, TOXIC OR EXPLOSIVE PROPERTIES;

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"NUCLEAR MATERIAL" MEANS SOURCE MATERIAL, SPECIAL NUCLEAR MATERIAL, OR BY-PRODUCT MATERIAL;

"SOURCE MATERIAL", "SPECIAL NUCLEAR MATERIAL", AND "BY-PRODUCT MATERIAL" HAVE THE MEANING GIVEN THEM IN THE ATOMIC ENERGY ACT OF 1954 OR IN ANY LAW AMENDATORY THEREOF;

"SPENT FUEL" MEANS ANY FUEL ELEMENT OR FUEL COMPONENT, SOLID OR LIQUID, WHICH HAS BEEN USED OR EXPOSED TO RADIATION IN A NUCLEAR REACTOR;

"WASTE" MEANS ANY WASTE MATERIAL (1) CONTAINING BY-PRODUCT MATERIAL AND (2) RESULTING FROM THE OPERATION BY ANY PERSON OR ORGANIZATION OF ANY NUCLEAR FACILITY INCLUDED WITHIN THE DEFINITION OF NUCLEAR FACILITY UNDER SUBPARAGRAPH (i) OR (ii) THEREOF;

"NUCLEAR FACILITY" MEANS:

- (i) ANY NUCLEAR REACTOR;
- (ii) ANY EQUIPMENT OR DEVICE DESIGNED OR USED FOR (1) SEPARATING THE ISOTOPES OF URANIUM OR PLUTONIUM, (2) PROCESSING OR UTILIZING SPENT FUEL, OR (3) HANDLING, PROCESSING, OR PACKAGING WASTE;
- (iii) ANY EQUIPMENT OR DEVICE USED FOR THE PROCESSING, FABRICATION, OR ALLOYING OF SPECIAL NUCLEAR MATERIAL IF AT ANY TIME THE TOTAL AMOUNT OF SUCH MATERIAL IN THE CUSTODY OF THE INSURED AT THE PREMISES WHERE SUCH EQUIPMENT OR DEVICE IS LOCATED CONSISTS OF OR CONTAINS MORE THAN 25 GRAMS OF PLUTONIUM OR URANIUM 233 OR ANY COMBINATION THEREOF, OR MORE THAN 250 GRAMS OF URANIUM 235; AND

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- (iv) ANY STRUCTURE, BASIN, EXCAVATION, PREMISES, OR PLACE PREPARED OR USED FOR THE STORAGE OR DISPOSAL OF WASTE, AND INCLUDES THE SITE ON WHICH ANY OF THE FOREGOING IS LOCATED, ALL OPERATIONS CONDUCTED ON SUCH SITE AND ALL PREMISES USED FOR SUCH OPERATIONS;

"NUCLEAR REACTOR" MEANS ANY APPARATUS DESIGNED OR USED TO SUSTAIN NUCLEAR FISSION IN A SELF-SUPPORTING CHAIN REACTION OR TO CONTAIN A CRITICAL MASS OF FISSIONABLE MATERIAL.

WITH RESPECT TO INJURY TO OR DESTRUCTION OF PROPERTY, THE WORD "INJURY" OR "DESTRUCTION" INCLUDES ALL FORMS OF RADIOACTIVE CONTAMINATION OF PROPERTY.

- (H) TO BODILY INJURY OR PROPERTY DAMAGE INCLUDED IN THE PRODUCTS HAZARD OR COMPLETED OPERATIONS HAZARD AND ARISING OUT OF ANY AIRCRAFT PRODUCT.
- (H1) TO ANY CLAIM OR CLAIMS BROUGHT AS A RESULT OF ANY VIOLATION OF RESPONSIBILITIES, OBLIGATIONS OR DUTIES IMPOSED UPON FIDUCIARIES BY THE EMPLOYEE RETIREMENT AND INCOME SECURITY ACT OF 1974 OR AMENDMENTS THERETO.
- (H2) TO ANY PERSONAL INJURY ARISING OUT OF AN ORAL OR WRITTEN PUBLICATION OF MATERIAL, IF DONE BY OR AT THE DIRECTION OF THE INSURED WITH KNOWLEDGE OF ITS FALSITY.
- (H3) TO ANY BODILY INJURY, PERSONAL INJURY OR PROPERTY DAMAGE THAT RESULTS FROM ANY OF THE FOLLOWING, OR ANY CONDITION THAT IS INCIDENT TO: WAR, WHETHER OR NOT DECLARED; CIVIL WAR; INSURRECTION; REBELLION OR REVOLUTION
- (H4) TO ANY CLAIM OR CLAIMS BROUGHT BY A PAST, PRESENT OR PROSPECTIVE EMPLOYEE FOR DISCRIMINATION, WRONGFUL TERMINATION OR HARASSMENT IN CONNECTION WITH HIS/HER PROSPECTIVE OR ACTUAL EMPLOYMENT WITH THE INSURED.

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- (H5) TO BODILY INJURY, PERSONAL INJURY OR PROPERTY DAMAGE UNDER THE NO-FAULT, UNINSURED MOTORIST, UNDERINSURED MOTORIST OR PERSONAL INJURY PROTECTION STATUTE OR ANY SIMILAR LAW OF ANY FEDERAL, STATE, PROVINCE OR SIMILAR JURISDICTION.**

THE FOLLOWING EXCLUSIONS (I AND J) APPLY ONLY TO COVERAGES A - E: BODILY INJURY, PROPERTY DAMAGE, PERSONAL INJURY, ADVERTISING LIABILITY AND PROFESSIONAL LIABILITY:

- (I) TO DAMAGES CLAIMED FOR THE WITHDRAWAL, INSPECTION, REPAIR, REPLACEMENT, OR LOSS OF USE OF THE NAMED INSURED'S PRODUCTS OR WORK COMPLETED BY OR FOR THE NAMED INSURED OR OF ANY PROPERTY OF WHICH SUCH PRODUCTS OR WORK FORM A PART, IF SUCH PRODUCTS, WORK, OR PROPERTY ARE WITHDRAWN FROM THE MARKET OR FROM USE BECAUSE OF ANY KNOWN OR SUSPECTED DEFECT OR DEFICIENCY THEREIN;**
- (J) TO LOSS OF USE OF TANGIBLE PROPERTY WHICH HAS NOT BEEN PHYSICALLY INJURED OR DESTROYED, RESULTING FROM:**
- (1) A DELAY IN OR LACK OF PERFORMANCE BY OR ON BEHALF OF THE NAMED INSURED OF ANY CONTRACT OR AGREEMENT; OR**
 - (2) THE FAILURE OF THE NAMED INSURED'S PRODUCTS OR WORK PERFORMED BY OR ON BEHALF OF THE NAMED INSURED TO MEET THE LEVEL OF PERFORMANCE, QUALITY, FITNESS OR DURABILITY WARRANTED OR REPRESENTED BY THE NAMED INSURED;**

BUT THIS EXCLUSION DOES NOT APPLY TO THE EXTENT COVERAGE IS AVAILABLE TO THE NAMED INSURED IN THE UNDERLYING INSURANCE AS SET OUT IN SCHEDULE "A" OF THE POLICY OR TO LOSS OF USE OF OTHER TANGIBLE PROPERTY RESULTING FROM THE SUDDEN AND ACCIDENTAL PHYSICAL INJURY TO OR DESTRUCTION OF THE NAMED INSURED'S PRODUCTS OR WORK PERFORMED BY OR ON BEHALF OF THE NAMED INSURED AFTER SUCH PRODUCTS OR WORK HAVE BEEN PUT TO USE BY ANY PERSON OR ORGANIZATION OTHER THAN AN INSURED.

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**THE FOLLOWING EXCLUSIONS (K - N) APPLY ONLY TO COVERAGE F:
SOFTWARE PRODUCTS LIABILITY:**

- (K) A DEFAULT BY OR ON BEHALF OF THE INSURED WITH RESPECT TO THE PERFORMANCE OF ANY CONTRACT OR AGREEMENT.**

BUT

THIS EXCLUSION DOES NOT APPLY IF SUCH DEFAULT IS THE RESULT OF A NEGLIGENT ACT, ERROR OR OMISSION.

- (L) COST GUARANTEES; OR ESTIMATES OF PROBABLE COSTS OR COST ESTIMATES BEING EXCEEDED.**
- (M) INFRINGEMENT OF PATENT; UNFAIR COMPETITION OR PIRACY; OR THEFT OR WRONGFUL TAKING OF CONCEPTS OR OTHER INTELLECTUAL PROPERTY.**
- (N) FAILURE OR LACK OF THE INSURED'S SOFTWARE PRODUCTS TO PREVENT UNAUTHORIZED ACCESS TO OR USE OF AN ELECTRONIC SYSTEM OR PROGRAM.**

BUT

THIS EXCLUSION DOES NOT APPLY IF SUCH UNAUTHORIZED ACCESS IS THE RESULT OF A NEGLIGENT ACT, ERROR OR OMISSION.

VIII. CONDITIONS

- (A) INSPECTION AND AUDIT THE COMPANY SHALL BE PERMITTED AT ALL REASONABLE TIMES TO INSPECT THE NAMED INSURED'S PREMISES AND EQUIPMENT, AND TO EXAMINE THE NAMED INSURED'S BOOKS AND RECORDS SO FAR AS THE BOOKS AND RECORDS RELATE TO PREMIUM EARNED OR TO ANY OCCURRENCES HAPPENING DURING THE POLICY PERIOD.**

NOTWITHSTANDING THE FOREGOING, THE COMPANY MAY ONLY BE PERMITTED LIMITED ACCESS TO THOSE AREAS DESIGNATED BY THE NAMED INSURED AS "OFF LIMITS" (OR SOME SUCH SIMILAR PHRASE) DUE TO REASONS OF NATIONAL SECURITY. SUCH LIMITED ACCESS OR NO ACCESS SHALL BE AT THE DISCRETION OF THE NAMED INSURED.

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NEITHER THE COMPANY'S RIGHT TO MAKE INSPECTIONS NOR THE MAKING THEREOF NOR ANY REPORT THEREON SHALL CONSTITUTE AN UNDERTAKING, ON BEHALF OF OR FOR THE BENEFIT OF THE INSURED OR OTHERS, TO DETERMINE OR WARRANT THAT THE INSURED'S PROPERTY OR OPERATIONS ARE SAFE AND HEALTHFUL, OR ARE IN COMPLIANCE WITH ANY LAW, RULE, OR REGULATION.

(B) SEVERABILITY OF INTERESTS THE TERM INSURED IS USED SEVERALLY AND NOT COLLECTIVELY EXCEPT WITH RESPECT TO INSURING AGREEMENT V LIMIT OF LIABILITY) AND CONDITION (I) (OTHER INSURANCE) THE INCLUSION IN THIS POLICY OF MORE THAN ONE INSURED SHALL NOT OPERATE TO INCREASE THE COMPANY'S TOTAL LIABILITY FOR ALL INSUREDS COVERED BY THIS POLICY BEYOND THE LIMITS OF LIABILITY SET FORTH IN THE DECLARATIONS.

(C) NOTICE OF OCCURRENCE IN THE EVENT OF AN OCCURRENCE, WRITTEN NOTICE SHALL BE GIVEN BY OR ON BEHALF OF THE INSURED TO THE COMPANY OR ANY OF ITS AUTHORIZED AGENTS AS SOON AS PRACTICABLE AFTER THE MANAGER OF THE FIRST NAMED INSURED'S RISK MANAGEMENT DEPARTMENT HAS KNOWLEDGE OF AN OCCURRENCE WHICH, IN THE OPINION OF THE MANAGER OF SUCH RISK MANAGEMENT DEPARTMENT OR SUCH DESIGNATED EMPLOYEE, IS LIKELY TO RESULT IN A CLAIM UNDER THE POLICY.

SUCH NOTICE SHALL CONTAIN PARTICULARS SUFFICIENT TO IDENTIFY THE INSURED AND ALSO REASONABLY OBTAINABLE INFORMATION RESPECTING THE TIME, PLACE, AND CIRCUMSTANCES OF THE OCCURRENCE, THE NAME AND ADDRESS OF THE INSURED AND NAMES AND ADDRESSES OF AVAILABLE WITNESSES.

IF LEGAL PROCEEDINGS ARE BEGUN THE INSURED, WHEN REQUESTED BY THE COMPANY, SHALL FORWARD TO IT EACH SUMMONS, COMPLAINT, OR OTHER PROCESS, OR A COPY THEREOF, RECEIVED BY THE INSURED, OR THE INSURED'S REPRESENTATIVE, TOGETHER WITH COPIES OF REPORTS OF INVESTIGATIONS MADE BY THE INSURED WITH RESPECT TO SUCH CLAIM PROCEEDINGS.

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(D) ASSISTANCE AND COOPERATION NOTWITHSTANDING ANY DUTY TO DEFEND OBLIGATION BY THE COMPANY AS DESCRIBED IN SECTION II. DEFENSE SETTLEMENT, THE **FIRST NAMED INSURED** SHALL HAVE THE RIGHT TO SELECT COUNSEL OF ITS CHOICE TO DEFEND ANY SUCH CLAIM OR PROCEEDING AND THE **FIRST NAMED INSURED** HAS OBTAINED THE COMPANY'S CONSENT OF WHICH WILL NOT BE UNREASONABLY WITHHELD. SUCH COUNSEL SHALL:

1. HAVE AT LEAST FIVE YEARS OF TORT LITIGATION PRACTICE WHICH INCLUDES SUBSTANTIAL DEFENSE EXPERIENCE IN THE SUBJECT AT ISSUE IN THE LITIGATION IF THE COMPANY SO REQUIRES,
2. CARRY ERRORS AND OMISSIONS INSURANCE COVERAGE,
3. AGREE TO DISCLOSE ALL INFORMATION TO THE COMPANY CONCERNING THE ACTION, EXCEPT PRIVILEGED MATERIALS AND TIMELY INFORM AND CONSULT WITH THE COMPANY ON ALL MATTERS RELATING TO THE ACTION. ANY CLAIM OF PRIVILEGE ASSERTS IS SUBJECT TO IN CAMERA REVIEW IN THE APPROPRIATE LAW AND MOTION DEPARTMENT OF THE SUPERIOR COURT. ANY INFORMATION DISCLOSED BY THE INSURED OR BY SUCH COUNSEL IS NOT A WAIVER OF PRIVILEGE TO THE OTHER PARTY,
4. THE COMPANY SHALL HAVE THE RIGHT AND OPPORTUNITY TO ASSOCIATE WITH THE **INSURED** IN THE DEFENSE AND CONTROL OF ANY SUCH CLAIM AS WELL AS ANY OTHER CLAIM OR PROCEEDING REASONABLY LIKELY TO INVOLVE THE COMPANY AT THE COMPANY'S EXPENSE, AND.
5. THE COMPANY'S OBLIGATIONS TO PAY FEES TO COUNSEL SELECTED BY THE **FIRST NAMED INSURED** IS LIMITED TO THE RATES THE COMPANY ACTUALLY PAYS TO COUNSEL THE COMPANY RETAINS IN THE ORDINARY COURSE OF BUSINESS IN THE DEFENSE OF SIMILAR ACTIONS IN THE COMMUNITY WHERE THE CLAIM IS BEING DEFENDED. ANY DISPUTE CONCERNING COUNSEL FEES SHALL BE RESOLVED BY FINAL AND BINDING ARBITRATION BY A SINGLE NEUTRAL ARBITRATOR SELECTED BY THE PARTIES TO THE DISPUTE.

(E) BANKRUPTCY OR INSOLVENCY BANKRUPTCY OR INSOLVENCY OF THE **INSURED** SHALL NOT RELIEVE THE COMPANY OF ANY OF ITS OBLIGATIONS HEREUNDER.

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(F) OTHER INSURANCE IF OTHER COLLECTIBLE INSURANCE INCLUDING OTHER INSURANCE WITH THIS COMPANY IS AVAILABLE TO THE INSURED COVERING AN OCCURRENCE ALSO COVERED HEREUNDER (EXCEPT INSURANCE PURCHASED TO APPLY IN EXCESS OF THE SUM OF THE LIMIT OF LIABILITY HEREUNDER) THE INSURANCE HEREUNDER SHALL BE IN EXCESS OF AND NOT CONTRIBUTE WITH SUCH OTHER INSURANCE.

(G) SUBROGATION THE COMPANY SHALL BE SUBROGATED TO THE EXTENT OF ANY PAYMENT HEREUNDER TO ALL THE INSURED'S RIGHT OF RECOVERY THEREFORE; AND THE INSURED SHALL DO NOTHING AFTER AN OCCURRENCE TO JEOPARDIZE SUCH RIGHT OF RECOVERY. PROVIDED FURTHER THAT THE INSURED SHALL DO EVERYTHING REASONABLE TO SECURE SUCH RIGHTS. ANY AMOUNT SO RECOVERED SHALL BE APPORTIONED AS FOLLOWS:

ANY INTEREST (INCLUDING THE INSURED'S) HAVING PAID AN AMOUNT IN EXCESS OF THE LIMIT OF LIABILITY HEREUNDER SHALL BE REIMBURSED FIRST TO THE EXTENT OF ACTUAL PAYMENT. THE COMPANY SHALL BE REIMBURSED NEXT TO THE EXTENT OF ITS ACTUAL PAYMENT HEREUNDER. THE EXPENSES OF ALL SUCH RECOVERY PROCEEDINGS SHALL BE APPORTIONED IN THE RATIO OF RESPECTIVE RECOVERIES. IF THERE IS NO RECOVERY IN PROCEEDINGS CONDUCTED SOLELY BY THE COMPANY, IT SHALL BEAR THE EXPENSES THEREOF.

(H) CHANGES NOTICE TO OR KNOWLEDGE OF ANY AGENT OR OTHER PERSON SHALL NOT EFFECT A WAIVER OR CHANGE IN ANY PART OF THIS POLICY NOR STOP THE COMPANY FROM ASSERTING ANY RIGHT UNDER IT, NOR SHALL THE TERMS OF THIS POLICY BE WAIVED OR CHANGED EXCEPT BY ENDORSEMENT HEREON.

(I) ASSIGNMENT OF INTEREST UNDER THIS POLICY SHALL NOT BIND THE COMPANY UNTIL ITS CONSENT IS ENDORSED HEREON. IF, HOWEVER, THE INSURED SHALL DIE OR BE ADJUDGED BANKRUPT OR INSOLVENT WITHIN THE POLICY PERIOD, THIS POLICY, UNLESS CANCELED, SHALL COVER THE INSURED'S LEGAL REPRESENTATIVE FOR THE UNEXPIRED PORTION OF SUCH PERIOD.

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- (J) CANCELLATION THIS POLICY MAY BE CANCELED BY THE FIRST NAMED INSURED BY SURRENDER THEREOF TO THE COMPANY OR ANY OF ITS WRITTEN AUTHORIZED AGENTS, OR BY MAILING TO THE COMPANY WRITTEN NOTICE STATING WHEN THEREAFTER SUCH CANCELLATION SHALL BE EFFECTIVE. THIS POLICY MAY BE CANCELED BY THE COMPANY BY MAILING TO THE FIRST NAMED INSURED AT THE ADDRESS SHOWN IN THIS POLICY WRITTEN NOTICE STATING WHEN NOT LESS THAN NINETY (90) DAYS FOR ANY REASON OTHER THAN NONPAYMENT OF PREMIUMS OR TEN (10) DAYS FOR NONPAYMENT OF PREMIUM THEREAFTER, SUCH CANCELLATION SHALL BE EFFECTIVE. THE MAILING OF NOTICE AS AFORESAID SHALL BE SUFFICIENT NOTICE AND THE EFFECTIVE DATE OF CANCELLATION STATED IN THE NOTICE SHALL BECOME THE END OF THE POLICY PERIOD. DELIVERY OF SUCH WRITTEN NOTICE EITHER BY THE FIRST NAMED INSURED OR BY THE COMPANY SHALL BE EQUIVALENT TO MAILING. IF THIS POLICY IS CANCELED, EARNED PREMIUM SHALL BE COMPUTED PRO RATA. PREMIUM ADJUSTMENT MAY BE MADE AT THE TIME CANCELLATION IS EFFECTED OR AS SOON AS PRACTICABLE THEREAFTER. THE CHECK OF THE COMPANY OR ITS REPRESENTATIVE, MAILED OR DELIVERED, SHALL BE SUFFICIENT TENDER OF ANY REFUND DUE THE FIRST NAMED INSURED.

IF THIS POLICY INSURES MORE THAN ONE INSURED, CANCELLATION MAY BE EFFECTED BY THE FIRST NAMED INSURED FOR THE ACCOUNT OF ALL INSURED; AND NOTICE OF CANCELLATION BY THE COMPANY TO SUCH FIRST NAMED INSURED SHALL BE NOTICE TO ALL INSURED. PAYMENT OF ANY UNEARNED PREMIUM TO SUCH FIRST NAMED INSURED SHALL BE FOR THE ACCOUNT OF ALL INTERESTS THEREIN.

- (K) INDEX AND HEADINGS THE INDEX AND THE SECTION, PARAGRAPH AND SUBPARAGRAPH HEADINGS ARE FOR REFERENCE PURPOSES ONLY AND SHALL NOT IN ANY WAY AFFECT THE MEANING OR INTERPRETATION OF THIS POLICY.
- (N) DESIGNATED CLAIMS REPRESENTATIVE AT THE OPTION OF THE FIRST NAMED INSURED, THE COMPANY SHALL USE (INSERT NAME, ADDRESS TELEPHONE NUMBER AND PRINCIPAL CONTACT) AS TO RECIPIENT OF ANY INFORMATION AS REQUIRED FROM THE INSURED PURSUANT TO CONDITION C AND CONDITION D OF THIS POLICY.

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THE COMPANY'S PRESIDENT AND SECRETARY HAVE SIGNED THIS POLICY. THIS POLICY IS NOT VALID UNLESS IT IS COMPLETED BY ATTACHMENT OF A DECLARATIONS PAGE SIGNED BY OUR DULY AUTHORIZED REPRESENTATIVE.

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ENDORSEMENT FORM NO. 1

POLLUTION EXCLUSION

IT IS AGREED BETWEEN THE COMPANY AND THE NAMED INSURED THAT THE FOLLOWING EXCLUSION IS ADDED AND MADE A PART OF THIS POLICY:

THIS POLICY DOES NOT COVER:

- (1) (a) ANY LIABILITY FOR BODILY INJURY, PERSONAL INJURY, PROPERTY DAMAGE, PROFESSIONAL LIABILITY, SOFTWARE PRODUCTS LIABILITY OR ADVERTISING LIABILITY ARISING OUT OF THE DISCHARGE OR POLLUTANTS INTO OR UPON LAND OR REAL ESTATE, THE ATMOSPHERE, OR ANY WATERCOURSE OR BODY OF WATER WHETHER ABOVE OR BELOW GROUND OR OTHERWISE INTO THE ENVIRONMENT; OR
- (b) LIABILITY, LOSS, COST OR EXPENSE OF ANY INSURED OR OTHERS ARISING OUT OF ANY DIRECTION OR REQUEST WHETHER GOVERNMENTAL OR OTHERWISE, THAT ANY INSURED OR OTHERS TEST FOR, MONITOR, CLEAN UP, REMOVE, CONTAIN, TREAT, DETOXYFY OR NEUTRALIZE POLLUTANTS.

THIS EXCLUSION APPLIES WHETHER OR NOT SUCH DISCHARGE OF SUCH POLLUTANTS:

- (i) RESULTS FROM THE INSURED'S ACTIVITIES OR THE ACTIVITIES OF ANY OTHER PERSON OR ENTITY;
- (ii) IS SUDDEN, GRADUAL, ACCIDENTAL, UNEXPECTED OR UNINTENDED; OR
- (iii) ARISES OUT OF OR RELATES TO INDUSTRIAL OPERATIONS OR THE WASTE OR BY-PRODUCTS THEREOF.

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(2) PARAGRAPH (1) ABOVE DOES NOT APPLY TO:

(a) PRODUCT POLLUTION LIABILITY; OR

(b) LIABILITY OF THE INSURED FOR BODILY INJURY, PERSONAL INJURY OR PROPERTY DAMAGE CAUSED BY DISCHARGE OF POLLUTANTS WHICH IS NOT EXPECTED OR INTENDED AND WHICH RESULTS SOLELY FROM A COVERED POLLUTION PERIL

(c) (i) LIABILITY OF THE INSURED FOR BODILY INJURY, PERSONAL INJURY, OR PROPERTY DAMAGE CAUSED BY AN INTENTIONAL DISCHARGE OF POLLUTANTS SOLELY FOR THE PURPOSE OF MITIGATING OR AVOIDING PERSONAL INJURY, BODILY INJURY OR PROPERTY DAMAGE; OR

(ii) LIABILITY OF THE INSURED FOR BODILY INJURY, PERSONAL INJURY OR PROPERTY DAMAGE CAUSED BY A DISCHARGE OF POLLUTANTS WHICH IS NOT EXPECTED OR INTENDED AND NOT DESCRIBED IN PARAGRAPHS (2)(a) or 2(b) ABOVE, BUT ONLY IF THE INSURED BECOMES AWARE OF THE COMMENCEMENT OF SUCH DISCHARGE WITHIN SEVEN (7) DAYS OF SUCH COMMENCEMENT;

PROVIDED THAT THE INSURED GIVES THE COMPANY WRITTEN NOTICE IN ACCORDANCE WITH CONDITION D OF THIS POLICY OF SUCH COMMENCEMENT OF THE DISCHARGE UNDER SUBPARAGRAPHS (2) (c) (i) OR (ii) OF THIS EXCLUSION WITHIN FORTY (40) DAYS OF SUCH COMMENCEMENT. SUCH NOTICE MUST BE PROVIDED IRRESPECTIVE OF WHETHER NOTICE AS SOON AS PRACTICABLE OTHERWISE WOULD BE REQUIRED PURSUANT TO CONDITION D OF THIS POLICY.

DEFINITIONS APPLICABLE TO THIS EXCLUSION:

COVERED POLLUTION PERIL

COVERED POLLUTION PERIL MEANS:

HOSTILE FIRE, EXPLOSION, LIGHTNING, WINDSTORM, EARTHQUAKE, FLOOD, THE COLLISION OF AN AIRCRAFT WITH A BUILDING, ANOTHER GROUND-BASED FIXED STRUCTURE OR WATERCRAFT OR THE UPSET, OVERTURN OR COLLISION OF AN AUTOMOBILE OR RAIL VEHICLE.

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DISCHARGE

DISCHARGE MEANS

DISCHARGE, EMISSION, DISPERSAL, MIGRATION, RELEASE OR ESCAPE (OR ANY SERIES OF SUCH OF A SIMILAR NATURE AT THE SAME SITE) BUT DOES NOT INCLUDE ANY DISCHARGE, EMISSION, DISPERSAL, MIGRATION, RELEASE OR ESCAPE TO THE EXTENT THAT THE POLLUTANTS INVOLVED REMAIN CONFINED WITHIN THE BUILDING OR OTHER MAN-MADE STRUCTURE IN WHICH THEY INITIALLY WERE LOCATED.

POLLUTANTS

POLLUTANTS MEANS:

ANY SOLID, LIQUID, GASEOUS OR THERMAL IRRITANT, CONTAMINANT OR TOXIC OR HAZARDOUS SUBSTANCE OR ANY SUBSTANCE WHICH MAY, DOES, OR IS ALLEGED TO AFFECT ADVERSELY THE ENVIRONMENT, PROPERTY, PERSONS OR ANIMALS, INCLUDING SMOKE, VAPOR, SOOT, FUMES, ACIDS, ALKALIS, CHEMICALS AND WASTE.

PRODUCT POLLUTION LIABILITY

PRODUCT POLLUTION LIABILITY MEANS:

LIABILITY OR ALLEGED LIABILITY FOR BODILY INJURY, PERSONAL INJURY OR PROPERTY DAMAGE ARISING OUT OF THE PRODUCTS HAZARD.

WASTE

WASTE MEANS:

ALL WASTE AND INCLUDES WITHOUT LIMITATION, MATERIALS TO BE DISCARDED, STORED, PENDING FINAL DISPOSAL, RECYCLED, RECONDITIONED OR RECLAIMED.

Intel: Manuscript Policy
March 20, 1998

ENDORSEMENT #2 : LIMITED CANCELLATION ENDORSEMENT FORM

IT IS HEREBY AGREED BY AND BETWEEN THE **FIRST NAMED INSURED** AND THE COMPANY THAT SECTION VII - PARAGRAPH J (CANCELLATION) IS DELETED AND REPLACED WITH THE FOLLOWING:

THIS POLICY MAY NOT BE CANCELED BY THE COMPANY OR THE **FIRST NAMED INSURED** DURING THE POLICY PERIOD UNLESS:

- (1) THE **NAMED INSURED** SHALL CONSOLIDATE WITH OR MERGE INTO, OR SELL ALL OR SUBSTANTIALLY ALL OF ITS ASSETS TO, ANY PERSON OR ENTITY OR GROUP OF PERSONS AND/OR ENTITIES ACTING IN CONCERT;
- (2) ANY PERSON OR ENTITY OR GROUP OF PERSONS AND/OR ENTITIES ACTING IN CONCERT SHALL ACQUIRE AN AMOUNT OF THE OUTSTANDING SECURITIES REPRESENTING MORE THAN 50% OF THE VOTING POWER FOR THE ELECTION OF DIRECTORS OF THE **NAMED INSURED**, OR ACQUIRES THE VOTING RIGHTS OF SUCH AN AMOUNT OF SUCH SECURITIES;
- (3) BY MUTUAL AGREEMENT OF THE PARTIES;
- (4) THERE HAS BEEN A BREACH OF CONTRACT BY EITHER PARTY; OR
- (5) THE **NAMED INSURED** HAS NOT PAID ANY PREMIUM WHEN DUE.

Named Insured Endorsement Form

This endorsement changes the policy. Please read it carefully.

This endorsement modifies insurance provided under the following:

Commercial Umbrella Policy

It is agreed that on the Commercial Umbrella Policy Declarations, Item 1., **Named Insured & Address** is completed to read as follows:

Intel Corporation and any of its subsidiaries or allied or affiliated companies and interest as now or hereafter constituted and any joint venture and/or limited partnership and/or Limited Liability Company, but only as respects Intel's interest in the joint venture and/or limited partnership, and/or Limited Liability Company.

This endorsement is part of your policy and takes effect on the effective date of your policy, unless another effective date is shown below.

Must be completed always:

Endorsement Number: 3
Policy Number: HFL 004-27-84-98

Winterthur Int'l America Ins. Co.

Complete only when this endorsement is not prepared with the policy or is not to be effective with the policy:

Issued to:
Effective Date of this Endorsement:

Countersigned by 
Authorized Representative

Intel Corporation

General Change Endorsement

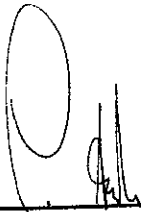
This endorsement changes the policy. Please read it carefully.

This endorsement modifies insurance provided under the following:

Commercial Umbrella Policy

It is agreed that the following endorsements are added to the policy as per the attached:

1. Three Year Premium Adjustment Endorsement
2. Installment Endorsement



Signature of Authorized Representative

Endorsement Number: 4
Policy Number: HFL 004-27-84-98

Effective Date: 4/1/98

Winterthur International America Insurance Company

Intel Corporation

Three Year Premium Adjustment Endorsement

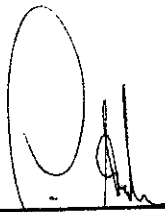
This endorsement changes the policy. Please read it carefully.

This endorsement modifies insurance provided under the following:

Commercial Umbrella Policy

The annual premium is guaranteed during the policy period unless:

- A. Worldwide sales increase more than 25% per annum of the reported worldwide sales of US\$ 27,500,000,000.
- B. Any material increase in exposures (products manufactured, acquisitions or divestitures, etc.) occurs in the description of operations as listed on the declarations page.
- C. The Domestic and/or Foreign underlying programs, scheduled within the policy, exceed a "total loss" of 50% of the underlying limits of liability. "Total loss" is defined as payments, reserves and expenses.



Signature of Authorized Representative

Endorsement Number: 5
Policy Number: HFL 004-27-84-98

Effective Date: 4/1/98

Winterthur International America Insurance Company

Intel Corporation

Installment Endorsement


This endorsement changes the policy. Please read it carefully.

This endorsement modifies insurance provided under the following:

Commercial Umbrella Policy

It is agreed that the policy premium for the period of 4/1/98 to 4/1/01 shall be due and payable as follows:

Due Date	Amount Due
4/1/98	\$ 310,250.00
4/1/99	\$ TBD
4/1/00	\$ TBD



Signature of Authorized Representative

Endorsement Number: 6
Policy Number: HFL 004-27-84-98

Effective Date: 4/1/98

Winterthur International America Insurance Company

General Change Endorsement

This endorsement changes the policy. Please read it carefully.

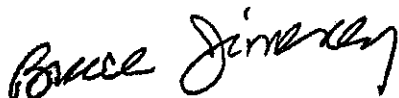
This endorsement modifies insurance provided under the following:

Commercial Umbrella Policy

In consideration of no change in premium, it is agreed that **SECTION V - RETAINED LIMIT** of the policy is deleted and replaced with the following:

V. RETAINED LIMIT

- (A) THE COMPANY'S LIABILITY SHALL BE ONLY FOR THE ULTIMATE NET LOSS IN EXCESS OF THE INSURED'S RETAINED LIMIT WHICH IS DEFINED AS:
- (1) THE UNDERLYING POLICY AS DESCRIBED ON SCHEDULE A - SCHEDULE OF UNDERLYING INSURANCE, ITEM (C) EMPLOYERS LIABILITY AS RESPECTS EMPLOYERS LIABILITY; OR
- (2) THE SELF-INSURED RETAINED AMOUNT AS STATED IN THE DECLARATIONS AS THE RESULT OF ALL OCCURRENCES OTHER THAN THOSE DESCRIBED IN PARAGRAPH (A)(1) ABOVE HAPPENING DURING THE POLICY PERIOD OF THIS POLICY,
- TO BE SATISFIED BY PAYMENTS FROM ANY SOURCE, WHICH SHALL BE BORNE BY THE INSURED, SEPARATELY AS RESPECTS EACH ANNUAL PERIOD OF THIS POLICY.
- (B) THE INSURED MAY INSURE ANY OR PART OF OR ALL OF THE RETAINED LIMIT INDICATED ABOVE OR TAKE ADVANTAGE OF ANY OTHER INSURANCE AVAILABLE TO IT WITHOUT PREJUDICE TO OR INVALIDATION OF COVERAGE UNDER THIS POLICY. IF ANY SUCH INSURANCE IS LESS THAN THE INSURED'S RETAINED LIMIT, THEN THE INSURED WILL MAKE UP THE DIFFERENCE.



Signature of Authorized Representative

Endorsement Number: 7
Policy Number: HFL 004-27-84-98

Effective Date: 4-1-98

Winterthur International America Insurance Company

Intel Corporation

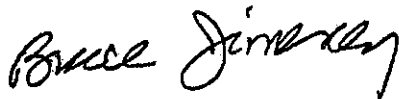
General Change Endorsement

This endorsement changes the policy. Please read it carefully.

This endorsement modifies insurance provided under the following:

Commercial Umbrella Policy

In consideration of no change in premium, it is agreed that **Schedule A - Schedule of Underlying Insurance** is deleted in its entirety and replaced with the attached.



Signature of Authorized Representative

Endorsement Number: 8
Policy Number: HFL 004-27-84-98

Effective Date: 7-1-98

Winterthur International America Insurance Company

Intel Corporation

Schedule A - Schedule of Underlying Insurance - Revised

Policy Number: HFL 004-27-84-98

Type of Policy	Applicable Limits	Insurer	Policy Number Policy Period
(A) Automobile Liability			
Policy Type and Symbol	Bodily Injury and Property Damage Combined Single Limit		
<input checked="" type="checkbox"/> Bus. Auto <input type="checkbox"/> Garage <input type="checkbox"/> Truckers			
	\$ 5,000,000 Each Accident \$ 5,000,000 Aggregate	Cigna Insurance Co.	SCAH0695792-4 4/1/98 - 99
(B) General Liability			
	Bodily Injury and Property Damage Combined Single Limit		
	\$ 5,000,000 Each Occurrence \$ 5,000,000 Aggregate When Applicable	Indemnity Ins. Co. of N. America	CGOG1807212 4/1/98 - 99
(C) Employers Liability			
	Coverage B - Employers Liability	Wausau	231900056717 7/1/98 - 99
	Bodily Injury by Accident		
	\$ 1,000,000 Each Accident		
	Bodily Injury By Disease		
	\$ 1,000,000 Policy Limit		
	Bodily Injury By Disease		
	\$ 1,000,000 Each Employee		
(D) Excess Employers Liability (for self-insured states)			
	Bodily Injury by Accident	Zurich American Insurance Group	EWS 8210081-01 7/1/98 - 99
	\$ 1,000,000 Each Accident		
	Bodily Injury By Disease		
	\$ 1,000,000 Policy Limit		
	Bodily Injury By Disease		
	\$ 1,000,000 Each Employee		
(E) Foreign DIC			
	\$ 5,000,000 Each Occurrence Limit	Ins. Co. of the State of PA	0800263337
	\$ 5,000,000 Aggregate		

Mining Zurich as
underlying re #1 mil
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SIX 11/10/98

Ent #10: ECU retention
#10 m/acc.
10 m/acc.

General Change Endorsement

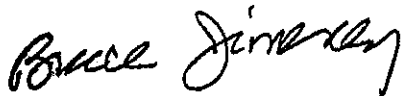
This endorsement changes the policy. Please read it carefully.

This endorsement modifies insurance provided under the following:

Commercial Umbrella Policy

It is agreed that the 2nd installment on Endorsement #6 is amended to read \$310,250.

It is further agreed that in consideration of an additional premium of \$47,750, Employment-Related Practices Liability is added to the policy with a Retroactive Date of July 8, 1998, as per the attached wording.



Signature of Authorized Representative

Endorsement Number: 9
Policy Number: HFL 004-27-84-98

Effective Date: 4-1-99

Winterthur International America Insurance Company

Intel Corporation

Enl #10

EMPLOYMENT-RELATED PRACTICES LIABILITY ENDORSEMENT

Claims-Made – Ultimate Net Loss – Defense in the Limit of Liability

Policy No. HFL 004-27-84-98

It is agreed between the Company and the Named Insured that the following insuring agreement is added and made a part of this policy:

Insuring Agreement

I. COVERAGE

The Company agrees to pay on behalf of the Insured the Ultimate Net Loss in excess of the Retained Limit hereinafter stated, which the Insured may sustain by reason of the liability imposed upon the Insured by law for Employment Injury.

2. This insurance applies to Employment Injury only if:
 - a. The offense out of which the Employment Injury arose did not commence before the Retroactive Date, if any, shown in the declarations or after the end of the policy period; and
 - b. A "claim" because of the Employment Injury is first made against any Insured, in accordance with Paragraph 3, below, during the policy period or the SECTION VI - EXTENDED REPORTING PERIOD, if provided.
3. A "claim" will be deemed to have been made at the earlier of the following times:
 - a. When notice of such "claim" is received by any insured and reported to us in writing; or
 - b. When a "claim" against an insured is made directly to us in writing.

A "claim" received by the insured during the policy period and reported to us within 30 days after the end of the policy period will be considered to have been reported within the policy period. However, this 30-day grace period does not apply to "claims" that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such "claims."

B. Exclusions

Section VII, Exclusions are deleted as to Employment Injury only and replaced with the following:

The coverage provided under this endorsement does not apply to:

1. Criminal, Fraudulent or Malicious Acts

An Insured's liability arising out of criminal, fraudulent or malicious acts or omissions by that Insured, or arising out of that Insured's knowing acquiescence or failure to act, or instruction, direction, or approval given to another concerning such acts or omissions.

This exclusion does not affect our obligation to pay Allocated Claims Expenses for an Insured prior to determining, through the appropriate legal processes, that that Insured is responsible for a criminal, fraudulent or malicious act or omission or has instructed, directed or provided approval for another concerning such acts or omissions.

2. Contractual Liability

Employment Injury for which the insured is obligated to pay damages by reason of the Assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the Insured would have in the absence of the contract or agreement.

3. Workers' Compensation and Similar Laws

Any obligation of the Insured under a Workers' Compensation, Disability Benefits or Unemployment Compensation law or any similar law.

4. Americans with Disabilities Act

Employment Injury arising out of your failure to comply with any of the accommodations for the disabled required of you by, or any expenses incurred as the result of modifications made to accommodate any person pursuant to, the Americans With Disabilities Act, or any amendments thereto, or any similar state or local statutes, rules or regulations to the extent that they prescribe responsibilities or duties concerning the same acts or omissions.

5. Violation of Laws Applicable to Employers

A violation of your responsibilities or duties required by any other federal, state or local statutes, rules or regulations, and any rules or regulations promulgated therefor or amendments thereto, except for the following: Title VII of the Civil Rights Act of 1964 and amendments thereto, the Age Discrimination in Employment Act, the Equal Pay Act, the Pregnancy Discrimination Act of 1978, the Immigration Reform Control Act of 1986 and the Family and Medical Leave Act of 1993 or any other similar state or local statutes, rules of regulations to the extent that they prescribe responsibilities or duties concerning the same acts or omissions.

6. Strikes and Lockouts

Employment Injury to any striking or locked-out "employee", or to an "employee" who has been temporarily or permanently replaced due to any labor dispute.

7. Sexual Harassment

Liability of that Insured who commits a "sexual harassment" offense.

This exclusion does not affect our obligation to pay Allocated Claims Expenses for that insured prior to determining, through the appropriate legal processes, that that insured has committed a "sexual harassment" offense, other than an assault or battery.

8. Employment Termination or Relocation Due to Business Decisions

Employment Injury arising out of termination of employment, job relocation or reassignment, if the action is taken because:

- a. You have filed for bankruptcy protection or you are placed in receivership or liquidation;
- b. You have merged with or been acquired by another business entity;
- c. You have closed a business location; or
- d. Your business location is partly closed or the size of an operation must be reduced because of fire or other natural disasters beyond your control.

9. Intentional Injury

Liability of that Insured who commits an act of intentional "employment discrimination" or coercion.

This exclusion does not affect our obligation to pay Allocated Claims Expenses for that Insured prior to determining, through the appropriate legal processes, whether that insured committed such act.

10. Retaliatory Actions

Liability arising out of an insured's retaliatory action against a person because the person has:

- a. Declined to perform an illegal or unethical act;
- b. Filed a complaint with a governmental authority or a "suit" against you or any other insured in which damages are claimed;
- c. Testified against you or any other insured at a legal proceeding; or
- d. Notified a proper authority of any aspect of your business operation which is illegal.

SECTION VI - EXTENDED REPORTING PERIOD

- A. You will have the right to purchase an Extended Reporting Period from us if:
 1. This Coverage Part is cancelled or not renewed for any reason; or
 2. We renew or replace this Coverage Part with Insurance that:
 - a. Has a Retroactive Date later than the date shown in the Declarations of this Coverage Part; or
 - b. Does not apply to Employment Injury on a claims-made basis.
- B. An Extended reporting Period, as specified in Paragraph A. above, lasts three years and is available only by endorsement and for an additional charge.
- C. The Extended Reporting Period starts with the end of the policy period. It does not extend the policy period or change the scope of coverage provided. It applies only to "claims" to which the following applies:

1. The "claim" is first made during the Extended Reporting Period;
 2. The Employment Injury occurs before the end of the policy period; and
 3. The offense out of which the Employment Injury arose did not commence before the Retroactive Date, if any.
- D. You must give us a written request for the Extended Reporting Period Endorsement within thirty (30) days after the end of the policy period or the effective date of cancellation, whichever comes first.
- E. The Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due and any premium or co-payment you owe us for coverage provided under this policy. Once in effect, the Extended Reporting Period may not be cancelled.
- F. We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:
1. The exposures Insured;
 2. Previous types and amounts of insurance;
 3. Limit of insurance available under this policy for future payment of damages; and
 4. Other related factors.

The additional premium will not exceed 200% of the annual premium for this policy.

- G. When the Extended Reporting Period Endorsement is in effect, we will provide a Supplemental Limit of Insurance for any "claim" first made during the Extended Reporting Period.

The Supplemental Limit of Insurance will be equal to the dollar amount shown in the Declarations in effect at the end of the policy period.

Paragraph B. of SECTION III - LIMIT OF INSURANCE will be amended accordingly.

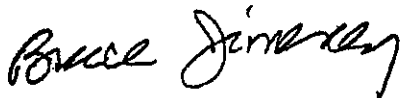
SECTION VII – DEFINITIONS

The following definitions are added Section III, Definitions as to Employment Injury only:

- A. "Claim" means a "suit" or demand made by or for the injured person for damages because of alleged Employment Injury

- D. "Employment Discrimination" means violation of a person's civil rights with respect to such person's race, color, national origin, religion, gender, marital status, age, sexual orientation or preference, physical or mental condition, or any other protected class or characteristic established by any federal, state or local statutes, rule or regulations.
- E. "Employee" includes a "leased worker", regular full- or part-time employee and a "temporary worker."
- F. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
- G. "Employment injury" means injury to a person arising out of one or more of the following offenses:
1. Refusal to employ the person, termination of the person's employment, demotion or failure to promote, negative evaluation, reassignment, discipline, defamation or humiliation of the person, based on "employment discrimination" directed at that person;
 2. Coercing that person to commit an unlawful act or omission within the scope of that person's employment;
 3. Work-related "sexual harassment", or
 4. Other work-related verbal, physical, mental or emotional abuse directed at the person with respect to that person's race, color, national origin, religion, gender, marital status, age, sexual orientation or preference, physical or mental condition, or any other protected class or characteristic established by any federal, state or local statutes, rules or regulations.
- H. "Leased workers" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker."
- I. "Sexual harassment" means unwelcome sexual advances, requests for sexual favors, or other verbal, visual or physical conduct of a sexual nature when such conduct:
1. Is linked with a decision affecting an individual's employment;
 2. Interferes with an individual's job performance;
 3. Creates an intimidating, hostile or offensive working environment for an individual; or
 4. Is alleged in any proceeding in federal or state court.

- J. "Suit" means a civil proceeding in which damages because of Employment Injury to which this insurance applies are alleged, including:
1. An arbitration proceeding in which such damages are claimed and to which the Insured must submit or does submit with our consent;
 2. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the Insured submits with our consent; or
 3. Any administrative proceeding or hearing conducted by a governmental agency (federal, state or local) having the proper legal authority over the matter in which such damages are claimed.
- K. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.



Signature of Authorized Representative

Endorsement Number: 10
Policy Number: HFL 004-27-84-98

Retroactive Date: 7-8-98
Effective Date: 4-1-99

General Change Endorsement

This endorsement changes the policy. Please read it carefully.

This endorsement modifies insurance provided under the following:

Commercial Umbrella Policy

It is agreed that the 3rd installment on Endorsement #6 is amended to read:
\$356,000 (Non-ERPL - US\$310,250; ERPL - \$45,750 ERPL).

↑
A.B. For Employment Practices liab.
see email gntc of 3/1/98.
CXX 6/6/00

Bruce J. Jernigan

Signature of Authorized Representative

Endorsement Number: 11
Policy Number: HFL 004-27-84-98

Effective Date: 4-1-2000

Winterthur International America Insurance Company

Intel Corporation

General Change Endorsement

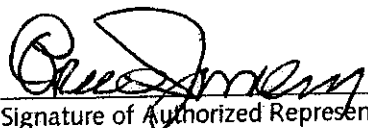
This endorsement changes the policy. Please read it carefully.

This endorsement modifies insurance provided under the following:

Commercial Umbrella Policy

In consideration of no change in premium, it is agreed that Item (2) of Endorsement 1, Pollution Exclusion, last paragraph is deleted and replaced with the following wording:

Provided that the insured gives the company written notice in accordance with Condition C of this policy of such commencement of the discharge under Subparagraphs (2) (c) (i) or (ii) of this Exclusion but within forty (40) days of the manager of the first Named Insured's Risk Management Department having knowledge of such commencement. Such notice must be provided irrespective of whether notice as soon as practicable otherwise would be required pursuant to Condition C of this policy.



Signature of Authorized Representative

Endorsement Number: 12
Policy Number: HFL 004-27-84-98

Effective Date: 4-1-98

Winterthur International America Insurance Company

Intel Corporation

General Change Endorsement

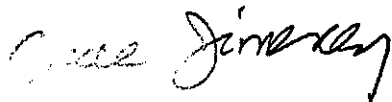
This endorsement changes the policy. Please read it carefully.

This endorsement modifies insurance provided under the following:

Commercial Umbrella Policy

As respects Schedule A, Schedule of Underlying Insurance, it is agreed that the underlying limits, as reflected under (B) General Liability and (E) Foreign DIC are \$5,000,000 each occurrence/\$5,000,000 aggregate.

It is further agreed that the Errors & Omissions (worldwide) retention is \$10,000,000 each occurrence/\$10,000,000 aggregate.



Signature of Authorized Representative

Endorsement Number: 13
Policy Number: HFL 004-27-84-98

Effective Date: 4-1-1999

Winterthur International America Insurance Company

Intel Corporation

General Change Endorsement

This endorsement changes the policy. Please read it carefully.

This endorsement modifies insurance provided under the following:


Commercial Umbrella Policy

It is agreed that Item III, Definitions, Paragraph (J) is amended to read "Software Products and Other Computer Services Liability".

It is further agreed that Item III, Definitions, Subparagraph (J1) is deleted and replaced by the following:

Other Computer Services means:

All electronic data processing services, including, but not limited to, website design, hosting and support software consulting, analysis or design.



Signature of Authorized Representative

Endorsement Number: 14
Policy Number: HFL 004-27-84-98

Effective Date: 4-1-99

Winterthur International America Insurance Company

Intel Corporation

Kwidzinski, Kenneth J

From: Kwidzinski, Kenneth J
Sent: Monday, April 05, 2004 3:31 PM
To: Stephanie Guaiumi (stephanie.guaiumi@marsh.com)
Subject: Winterthur Policy HFL004-27-84-98

Stephanie per your call I'll just note our file that a numbering error is the reason for the missing End #15 for Winterthur International America Insurance Company HFL004-27-84-98

Ken Kwidzinski
Risk Management
Phone: 408-765-1287; Fax: 408-765-1101

4/5/2004

General Change Endorsement

This endorsement changes the policy. Please read it carefully.

This endorsement modifies insurance provided under the following:

Commercial Umbrella Policy

In consideration of no change in premium, it is agreed that the following is added to the **Schedule A - Schedule of Underlying Insurance to current CGL Schedule.**

(B) General Liability (Relative to Wrap-Up Liability Coverage)

National Union Fire Insurance Company

Policy Number: BE 701 94 75

Policy Period: 12-31-1999 to 12-31-2002

Policy Limit: US\$48,000,000 each occurrence/\$76,000,000 Annual Aggregate


Excess of

Argonaut Insurance Company

Policy Number: WC-12-618-902001

Policy Period: 12-31-99 until cancelled

Policy Limit: US\$2,000,000 each occurrence/US\$2,000,000 annual aggregate

7/2/08


Signature of Authorized Representative

Endorsement Number: 16
Policy Number: HFL 004-27-84-98

Effective Date: 06-05-00

Winterthur International America Insurance Company

Intel Corporation

General Change Endorsement

This endorsement changes the policy. Please read it carefully.

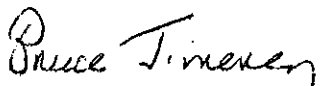
This endorsement modifies insurance provided under the following:

Commercial Umbrella Policy

In consideration of no change in premium, it is agreed that the following is added to the **Schedule A - Schedule of Underlying Insurance:**

(E) Aviation

Carrier: Associated Aviation Underwriters
Policy #: SP 408714
Policy Period: 4/1/00 to 4/1/03
Limits: \$300,000,000 per occurrence

7/22/03


Signature of Authorized Representative

Endorsement Number: 17
Policy Number: HFL 004-27-84-98

Effective Date: 12-21-00

Winterthur International America Insurance Company

Intel Corporation

EXHIBIT B



EXECUTIVE OFFICES:
70 Pine Street
New York, New York 10270

THE INSURANCE COMPANY OF THE STATE OF PENNSYLVANIA

A CAPITAL STOCK COMPANY INCORPORATED 1794

Philadelphia, Pa.

Renews NEW

Policy Number 4798-2252

DECLARATIONS

NAMED INSURED: INTEL CORPORATION, ET AL
(AS PER ENDORSEMENT NUMBER 1)

ADDRESS: 2200 MISSION COLLEGE BOULEVARD
P.O. BOX 58119, MAIL STOP SC4-212
SANTA CLARA, CALIFORNIA 95052-8119

POLICY PERIOD: APRIL 1, 1998 TO APRIL 1, 2001 12:01 A.M. STANDARD TIME AT
THE ADDRESS OF THE NAMED INSURED AS STATED HEREIN.

COVERAGE: FOLLOW FORM EXCESS LIABILITY

LIMIT OF LIABILITY: \$25,000,000. EACH OCCURRENCE/ANNUAL AGGREGATE, WHERE APPLICABLE,
EXCESS OF
\$10,000,000. EACH OCCURRENCE/ANNUAL AGGREGATE, WHERE APPLICABLE,
EXCESS OF UNDERLYING INSURANCE

PREMIUM: \$187,500. MINIMUM & DEPOSIT
\$ 46,875. MINIMUM EARNED

RATE: FLAT

UNDERLYING POLICY(IES) NO.: TBD

ISSUED BY: WINTERTHUR SWISS GROUP

IN WITNESS WHEREOF, the Company has caused this policy to be signed by its President and Secretary
at New York, New York and countersigned by a duly authorized representative of the Company.

Elizabeth M. Tuck
Secretary

John W. Gentry
President

Countersigned by:

William J. Whelan
Authorized Representative

MAY 6, 1998
FT/TC/lb

EXCESS LIABILITY POLICY
THE INSURANCE COMPANY OF THE STATE OF PENNSYLVANIA
 (Hereinafter called the Company)

Agrees with the named Insured, in consideration of the payment of the premium and subject to all of the terms of this Policy, as follows:

As respects accidents or occurrences, whichever is applicable, taking place during the period of the Policy, the Company agrees to afford the Insured such additional insurance as the issuers of the Underlying Coverage specified in the schedule would afford the Insured by increasing the underlying limit combined provided that it is expressly agreed that liability shall attach to the Company:

- (a) only after the issuers of the Underlying Coverage have paid or have been held liable to pay the full amount of the said underlying limit, and
- (b) only as respects such additional amounts in excess thereof as would be payable by the issuers of the Underlying Coverage if the said underlying limit were amended as aforesaid, and
- (c) in no greater amount than the limit(s) set forth under the Declarations ultimate net loss as respects each accident or occurrence, whichever is applicable, taking place during the period of this policy-Subject to the limit(s) set forth under the Declarations ultimate net loss in the aggregate where applicable for each annual period during the currency of this Policy.

DEFINITIONS

1. **Ultimate Net Loss.** The words "ultimate net loss" shall be understood to mean the amount payable in settlement of the liability of the Insured after making deductions for all recoveries for other valid and collectible insurances, excepting however the policy(ies) of the Primary Insured(s) and shall exclude all expenses and Costs.
2. **Costs.** The word "costs" shall be understood to mean interest accruing after entry of judgement, investigation, adjustment and legal expenses (excluding, however, all office expenses of the Insured, all expenses for salaried employees of the Insured, and general retainer fees for counsel normally paid by the Insured).

CONDITIONS

1. **MAINTENANCE OF UNDERLYING INSURANCE.** It is a condition of this Policy that the Underlying Coverage be maintained in full effect during the period of this Policy except for the reduction of the aggregate limits contained therein solely by payment of claims for accidents or occurrences, whichever is applicable, which take place during the period of this Policy. If the Underlying Coverage is terminated during the period of the Policy the effective date of termination of the said Underlying Coverage shall be the end of the period of this Policy.

This Policy is subject to the same warranties, terms and conditions (except as otherwise provided herein) as are contained in or as may be added to the Underlying Coverage prior to the happening of an accident or occurrence, whichever is applicable, for which claim is made hereunder. It is further understood and agreed that any changes made in the Underlying Coverage will automatically be covered under this Policy from the time such changes take effect in the said underlying Policy provided, however, that any material change be reported to the Company within thirty (30) days of such change. Such changes may be reported to the Company c/o C.V. Starr & Co., Three Embarcadero Center, San Francisco, Ca. 94111.

2. **PREMIUM.** The Insured shall pay premium to the Company as specified in the schedule.

If the Insured terminates this Policy, earned premium shall be computed in accordance with the customary short rate table and procedure. If the Company terminates this Policy, earned premium shall be computed pro rata.

3. **NOTIFICATION OF CLAIMS:** The Insured upon knowledge of any accident or occurrence likely to give rise to a claim hereunder shall give immediate written notice thereof to the Company. Such notice may be reported to the Company c/o C.V. Starr & Co., Three Embarcadero Center, San Francisco, Ca. 94111.

4. **ASSISTANCE AND COOPERATION.** The Company shall not be called upon to assume charge of the settlement or defense of any claim made or suit brought or proceeding instituted against the Insured but the Company shall have the right and shall be given the opportunity to associate with the Insured or the Insured's underlying insurers, or both, in the defense and control of any claim, suit or proceeding relative to an occurrence where the claim or suit involves or appears reasonably likely to involve the Company, in which event the Insured and the Company shall cooperate in all things in the defense of such claim, suit or proceeding.

5. **CANCELLATION.** This Policy may be cancelled by the Insured by mailing to the Company written notice stating when such cancellation shall be effective. This Policy may be cancelled by the Company by mailing to the Insured at the address shown in this policy written notice stating when not less than thirty (30) days thereafter such cancellation shall be effective, except for non-payment of any premium, the Company shall provide ten (10) days notice in the event of cancellation. The mailing of notice as aforesaid shall be sufficient

proof of notice and the effective date of cancellation stated in the notice shall become the end of the policy period. Delivery of such written notice either by the Insured or by this Company shall be equivalent to mailing.

EXCLUSIONS

This Policy shall not apply:

1. to personal injury or property damage
 - (I) with respect to which an Insured under the Policy is also an Insured under a Nuclear Energy Liability Policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an Insured under any such Policy but for its termination upon exhaustion of its limit of liability; or
 - (II) resulting from the hazardous properties of nuclear material and with respect to which
 - (A) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof; or
 - (B) the Insured is, or had this Policy not been issued, would be entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization; or
 - (III) resulting from the hazardous properties of nuclear material, if
 - (A) the nuclear material (1) is at any nuclear facility owned by, or operated by or on behalf of, an Insured or (2) has been discharged or dispersed therefrom; or
 - (B) the nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an Insured; or
 - (C) the injury, sickness, disease, death or destruction arises out of the furnishing by an Insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this subparagraph (C) applies only to injury to or destruction of property at such a nuclear facility.

As used herein "hazardous properties" include radioactive, toxic or explosive properties; "nuclear material" means source material, special nuclear material or by-product material; "source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof; "spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor; "waste" means any waste material (1) containing by-product material and (2) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under subparagraph (A) or (B) thereof; "nuclear facility" means

- (A) any nuclear reactor,
- (B) any equipment or device designed or used for (1) separating the isotopes uranium or plutonium, (2) processing or utilizing spent fuel, or (3) handling, processing or packaging waste,
- (C) any equipment or device used for the processing, fabrication or alloying of special nuclear material if at any time the total amount of such material in the custody of the Insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235,
- (D) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste,

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations; "nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material; with respect to injury to or destruction of property, the words "injury" or "destruction" include all forms of radioactive contamination of property; or

- (IV) with respect to liability arising outside the United States of America, its territories or possessions, Puerto Rico or the Canal Zone, to any liability of whatsoever nature directly or indirectly caused by, or contributed to by or arising from ionising radiations or contamination by radioactive from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
2. To any claim based upon the Insured's failure to comply with federal "Employee Retirement Income Security Act of 1974", or any amendment thereto.

In Witness Whereof, the Company has caused this Policy to be executed and attested; but this Policy shall not be valid unless countersigned on this Declarations page by a duly authorized representative of the Company

SCHEDULE OF UNDERLYING INSURANCE

Type of Policy or Coverage	Limits of Liability
UMBRELLA LIABILITY WINTERTHUR SWISS GROUP POLICY NO.: TO BE DETERMINED POLICY PERIOD: APRIL 1, 1998 TO APRIL 1, 2001	\$10,000,000. EACH OCCURRENCE / ANNUAL AGGREGATE, WHERE APPLICABLE, EXCESS OF UNDERLYING INSURANCE

Attached to and forming part of No. 4798-2252

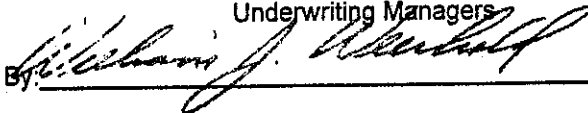
THE INSURANCE COMPANY OF
THE STATE OF PENNSYLVANIA

Effective Date: APRIL 1, 1998

Issued to: INTEL CORPORATION, ET AL

C.V. STARR & CO.
Underwriting Managers

Dated: MAY 6, 1998
FT/TC

By: 

ENDORSEMENT NO. 1

IT IS HEREBY AGREED THAT THE NAMED INSURED IS COMPLETED TO READ AS FOLLOWS:

INTEL CORPORATION AND/OR ANY OF ITS SUBSIDIARIES AND/OR ALLIED AND/OR AFFILIATED COMPANIES AND/OR LIMITED COMPANIES AND INTERESTS AS NOW OR HERE CONSTITUTED, AND ANY JOINT VENTURES AS RESPECTS ONLY INTEL'S INTEREST IN THE JOINT VENTURE.

All other terms and conditions remain unchanged

Effective date of this endorsement is: APRIL 1, 1998

Attached and forming part of No. 4798-2252

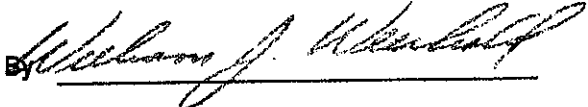
Issued to: INTEL CORPORATION, ET AL

THE INSURANCE COMPANY OF
THE STATE OF PENNSYLVANIA

C.V. STARR & CO.
Underwriting Managers

Dated: MAY 6, 1998

ENDT. #1

By 

ENDORSEMENT NO. 2

ANNUAL INSTALLMENT ENDORSEMENT

IT IS AGREED THAT THE FOLLOWING TWO INSTALLMENTS ARE DUE ON:

APRIL 1, 1999 - \$187,500.

APRIL 1, 2000 - \$187,500.

All other terms and conditions remain unchanged

Effective date of this endorsement is: APRIL 1, 1998

Attached and forming part of No. 4798-2252

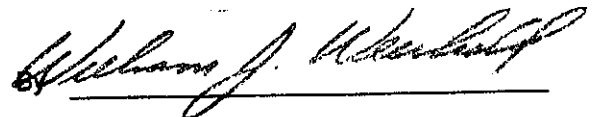
Issued to: INTEL CORPORATION, ET AL

THE INSURANCE COMPANY OF
THE STATE OF PENNSYLVANIA

C.V. STARR & CO.
Underwriting Managers

Dated: MAY 6, 1998

ENDT. #2

A handwritten signature in dark ink, appearing to read "William J. Whelan", is written over a horizontal line.

ENDORSEMENT NO. 3

AMENDMENT OF DEFINITION

IT IS AGREED THAT DEFINITION 1. ULTIMATE NET LOSS IN EXCESS LIABILITY POLICY FORM 44382 (8/86) IS AMENDED TO READ:

1. **ULTIMATE NET LOSS.** THE WORDS ULTIMATE NET LOSS SHALL BE UNDERSTOOD TO MEAN THE AMOUNT PAYABLE IN SETTLEMENT OF THE LIABILITY FOR THE INSURED AFTER MAKING DEDUCTIONS FOR ALL RECOVERIES FOR OTHER VALID AND COLLECTIBLE INSURANCE, EXCEPTING HOWEVER THE POLICY(IES) OF THE PRIMARY INSURER(S), AND SHALL EXCLUDE ALL COSTS, WHICH ARE PAID BY THE COMPANY IN ADDITION TO THE ULTIMATE NET LOSS.

All other terms and conditions remain unchanged

Effective date of this endorsement is: APRIL 1, 1998

Attached to and forming part of No. 4798-2252

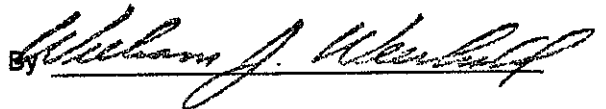
Issued to: INTEL CORPORATION, ET AL

THE INSURANCE COMPANY OF
THE STATE OF PENNSYLVANIA

C.V. STARR & CO.
Underwriting Managers

Dated: MAY 6, 1998

ENDT. #3

By 

ENDORSEMENT NO. 4

NOTICE OF OCCURRENCE

IT IS AGREED THAT CONDITION #3 OF FORM 44382 (8/86) (NOTIFICATION OF CLAIMS) IS DELETED IN ITS ENTIRETY AND REPLACED BY THE FOLLOWING:

WHENEVER THE INSURED HAS INFORMATION FROM WHICH THE INSURED MAY REASONABLY CONCLUDE THAT AN OCCURRENCE COVERED HEREUNDER INVOLVES INJURIES OR DAMAGES, WHICH, IN THE EVENT THAT THE INSURED SHOULD BE HELD LIABLE, IS LIKELY TO INVOLVE THIS POLICY, NOTICE SHALL BE SENT TO:

C.V. STARR CLAIMS, NY
70 PINE ST., 8TH FLOOR
NEW YORK, NY 10270

AS SOON AS PRACTICABLE, PROVIDED, HOWEVER, THAT FAILURE TO GIVE NOTICE OF ANY OCCURRENCE WHICH, AT THE TIME OF ITS HAPPENING, DID NOT APPEAR TO INVOLVE THIS POLICY BUT WHICH, AT A LATER DATE, WOULD APPEAR TO GIVE RISE TO CLAIMS HEREUNDER, SHALL NOT PREJUDICE SUCH CLAIMS.

All other terms and conditions remain unchanged

Effective date of this endorsement is: APRIL 1, 1998

Attached to any forming part of No. 4798-2252

Issued to: INTEL CORPORATION, ET AL

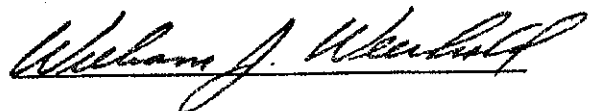
THE INSURANCE COMPANY OF
THE STATE OF PENNSYLVANIA

C.V. STARR & CO.
Underwriting Managers

Dated: MAY 6, 1998

ENDT. #4

By



ENDORSEMENT NO. 5

RIGHTS OF SUBROGATION

IN THE EVENT OF ANY PAYMENT UNDER THIS POLICY, THE COMPANY MAY PARTICIPATE WITH THE INSURED IN THE EXERCISE OF ALL THE INSURED'S RIGHTS OF RECOVERY AGAINST ANY PERSON OR ORGANIZATION LIABLE THEREFOR.

All other terms and conditions remain unchanged

Effective date of this endorsement is: APRIL 1, 1998

Attached to and forming part of No. 4798-2252

Issued to: INTEL CORPORATION, ET AL

THE INSURANCE COMPANY OF
THE STATE OF PENNSYLVANIA

C.V. STARR & CO.
Underwriting Managers

Dated: MAY 6, 1998

ENDT. #5

By William J. Whelan

ENDORSEMENT NO 6

INTEL CASUALTY FORM – 1998 /1999

Following Form Endorsement

EFFECTIVE DATE: APRIL 1, 1998

IT IS AGREED THAT THIS POLICY IS FOLLOWING THE
EXACT TERMS AND CONDITIONS OF THE **WINTERTHUR**
INSURANCE COMPANY POLICY NUMBER **TO BE DETERMINED**
EXCEPT WITH RESPECT TO THE :

LIMITS OF LIABILITY:

PREMIUM:

AND, ANY COVERAGE MODIFICATION ENDORSEMENTS
ATTACHED HERETO:

ALL PREPRINTED TERMS AND CONDITIONS OF **FORM 44382 (8/86)**
ARE DELETED TO THE EXTENT THAT THEY VARY FROM OR ARE
INCONSISTENT WITH THE TERMS AND CONDITIONS OF THE
WINTERTHUR INSURANCE COMPANY POLICY NUMBER.

All other terms and conditions remain unchanged.

Effective date of this endorsement is: APRIL 1, 1998

Attached to and forming part of Policy No. 4798-2252

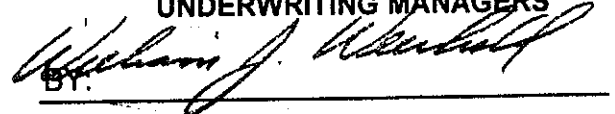
THE INSURANCE COMPANY OF
THE STATE OF PENNSYLVANIA

Issued to: INTEL CORPORATION, ET AL

C.V. STARR & COMPANY
UNDERWRITING MANAGERS

Dated: MAY 6, 1998
FT/tc

ENDT. NO. 6

BY: 

ENDORSEMENT NO. 7

SCHEDULE OF UNDERLYING INSURANCE

IT IS HEREBY AGREED THAT SCHEDULE OF UNDERLYING INSURANCE ISSUED ON MAY 6, 1998 IS DELETED AND REPLACED BY THE FOLLOWING:

Type of Policy or Coverage	Limits of Liability
UMBRELLA LIABILITY WINTERTHUR SWISS GROUP POLICY NO.: HFL004-27-84-98 POLICY PERIOD: APRIL 1, 1998 TO APRIL 1, 2001	\$10,000,000. EACH OCCURRENCE/ ANNUAL AGGREGATE, WHERE APPLICABLE, EXCESS OF UNDERLYING INSURANCE

All other terms and conditions remain unchanged

Effective date of this endorsement is: APRIL 1, 1998

Attached to and forming part of No. 4798-2252

Issued to: INTEL CORPORATION, ET AL

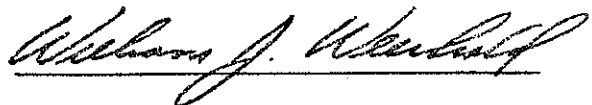
THE INSURANCE COMPANY OF
THE STATE OF PENNSYLVANIA

C.V. STARR & CO.
Underwriting Managers

Dated: OCTOBER 8, 1998
FT/TC/lb

ENDT. #7

By



ENDORSEMENT NO. 8

AMENDMENT OF DEFINITION

IT IS AGREED ENDORSEMENT NUMBER 3 IS DELETED IN ITS ENTIRETY AND REPLACED BY THE FOLLOWING:

IT IS AGREED THAT DEFINITION 1. ULTIMATE NET LOSS IN EXCESS LIABILITY POLICY FORM 44382 (8/86) IS AMENDED TO READ:

1. ULTIMATE NET LOSS. THE WORDS "ULTIMATE NET LOSS" SHALL BE UNDERSTOOD TO MEAN THE AMOUNT PAYABLE IN SETTLEMENT OF THE LIABILITY OF THE INSURED AFTER MAKING DEDUCTIONS FOR ALL RECOVERIES FOR OTHER VALID AND COLLECTIBLE INSURANCES, EXCEPTING HOWEVER THE POLICY(IES) OF THE PRIMARY INSURER(S), AND SHALL INCLUDE ALL COSTS.

All other terms and conditions remain unchanged

Effective date of this endorsement is: APRIL 1, 1998

Attached to and forming part of No. 4798-2252

Issued to: INTEL CORPORATION, ET AL

Dated: FEBRUARY 1, 1999

FT/VC/lb

**THE INSURANCE COMPANY OF
THE STATE OF PENNSYLVANIA**

**C.V. STARR & CO.
Underwriting Managers**

By: 

ENDORSEMENT NO. 8

ENDORSEMENT NO. 9

INSTALLMENT ENDORSEMENT

THE 2ND INSTALLMENT OF \$187,500.00 FOR THE POLICY PERIOD OF APRIL 1, 1999 TO APRIL 1, 2000 IS DUE AND PAYABLE ON APRIL 1, 1999.

PREMIUM: \$187,500. MINIMUM & DEPOSIT
\$ 46,875. MINIMUM EARNED

All other terms and conditions remain unchanged

Effective date of this endorsement is: APRIL 1, 1999

Attached to and forming part of No. 4798-2252

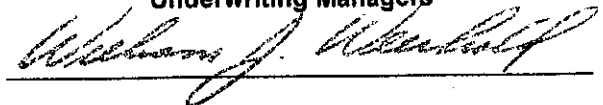
Issued to: INTEL CORPORATION, ET AL

Dated: MARCH 22, 1999
FT/lb

THE INSURANCE COMPANY OF
THE STATE OF PENNSYLVANIA

C.V. STARR & CO.
Underwriting Managers

By:



ENDORSEMENT NO. 9

ENDORSEMENT NO. 10

INSTALLMENT ENDORSEMENT

THE INSTALLMENT FOR THE POLICY PERIOD OF APRIL 1, 2000 TO APRIL 1, 2001 IS DUE
AND PAYABLE ON APRIL 1, 2000.

PREMIUM: \$187,500.00

MINIMUM EARNED: \$46,875.00

All other terms and conditions remain unchanged

Effective date of this endorsement is: APRIL 1, 2000

Attached to and forming part of No. 4798-2252

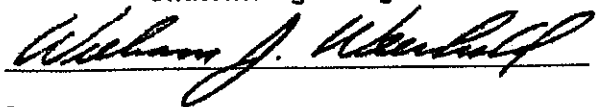
Issued to: INTEL CORPORATION, ET AL

Dated: APRIL 20, 2000
FT/lb

**THE INSURANCE COMPANY OF
THE STATE OF PENNSYLVANIA**

**C.V. STARR & CO.
Underwriting Managers**

By:



ENDORSEMENT NO. 10

THE SUPERIOR COURT OF CALIFORNIA, COUNTY OF SANTA CLARA
ELECTRONIC FILING - WWW.SCEFILING.ORG

c/o Glotrans
2915 McClure Street
Oakland, CA 94609
TEL: (510) 208-4775
FAX: (510) 465-7348
EMAIL: Info@Glotrans.com

E-FILED

Jul 1, 2008 4:07 PM

KIRI TORRE
Chief Executive Officer
Superior Court of CA, County of Santa Clara
Case #1-08-CV-116396 Filing #G-9502
By G. Duarte, Deputy

THE SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF SANTA CLARA

INTEL CORPORATION, a Delaware corporation,
Plaintiff,

Plaintiff,

vs.

THE INSURANCE COMPANY OF THE STATE OF
PENNSYLVANIA, a Pennsylvania corporation; and
DOES 1 through 100, inclusive, Defendants.

Defendant.

AND RELATED ACTIONS

Intel Corporation v. The Insurance Company of
the State of Pennsylvania

Lead Case No. 1-08-CV-116396

Hon. Joseph H. Huber

PROOF OF SERVICE
Electronic Proof of Service

I am employed in the County of Alameda, State of California.

I am over the age of 18 and not a party to the within action; my business address is 2915 McClure
Street, Oakland, CA 94609.

The documents described on page 2 of this Electronic Proof of Service were submitted via the
worldwide web on Tue. July 1, 2008 at 3:29 PM PDT and served by electronic mail notification.

I have reviewed the Court's Order Concerning Electronic Filing and Service of Pleading Documents and
am readily familiar with the contents of said Order. Under the terms of said Order, I certify the above-described
document's electronic service in the following manner:

The document was electronically filed on the Court's website, <http://www.scefiling.org>, on Tue. July 1,
2008 at 3:29 PM PDT

Upon approval of the document by the Court, an electronic mail message was transmitted to all parties
on the electronic service list maintained for this case. The message identified the document and provided
instructions for accessing the document on the worldwide web.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and
correct. Executed on July 1, 2008 at Oakland, California.

Dated: July 1, 2008

For WWW.SCEFILING.ORG

Andy Jamieson

E-FILED: Jul 1, 2008 4:07 PM, Superior Court of CA, County of Santa Clara, Case #1-08-CV-116396 Filing #G-9502

**THE SUPERIOR COURT OF CALIFORNIA, COUNTY OF SANTA CLARA
ELECTRONIC FILING SYSTEM - WWW.SCEFILING.ORG**

**Electronic Proof of Service
Page 2**

Document(s) submitted by Lester O. Brown of Howrey LLP on Tue. July 1, 2008 at 3:29 PM PDT

1. Complex Complaint: Intel Corporation's Complaint for: Declaratory Relief; Breach of Contract

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address): Lester O. Brown, (SBN 160828) Fiona A. Chaney (SBN 227725) HOWREY LLP 550 South Hope Street, Suite 1100, Los Angeles, CA 90071 TELEPHONE NO.: 213-892-1800 FAX NO.: 213-892-2300 ATTORNEY FOR (Name): INTEL CORPORATION		FOR COURT USE ONLY <h1 style="margin: 0;">E-FILED</h1> Jul 1, 2008 4:07 PM KIRI TORRE Chief Executive Officer Superior Court of CA, County of Santa Clara Case #1-08-CV-116396 Filing #G-9502 By G. Duarte, Deputy	
SUPERIOR COURT OF CALIFORNIA, COUNTY OF Santa Clara STREET ADDRESS: 191 N. First Street MAILING ADDRESS: CITY AND ZIP CODE: San Jose, CA 95113 BRANCH NAME:			
CASE NAME: Intel Corporation v. The Insurance Company of the State of Pennsylvania			
CIVIL CASE COVER SHEET <input checked="" type="checkbox"/> Unlimited Amount demanded exceeds \$25,000 <input type="checkbox"/> Limited (Amount) demanded is \$25,000 or less		Complex Case Designation <input type="checkbox"/> Counter <input type="checkbox"/> Joinder Filed with first appearance by defendant (Cal. Rules of Court, rule 1811)	
		CASE NUMBER: 1-08-CV-116396 JUDGE: DEPT:	

Items 1-5 below must be completed (see instructions on page 2).

1. Check one box below for the case type that best describes this case:

Auto Tort <input type="checkbox"/> Auto (22) <input type="checkbox"/> Uninsured motorist (46) Other PI/PD/WD (Personal Injury/Property Damage/Wrongful Death) Tort <input type="checkbox"/> Asbestos (04) <input type="checkbox"/> Product liability (24) <input type="checkbox"/> Medical malpractice (45) <input type="checkbox"/> Other PI/PD/WD (23) Non-PI/PD/WD (Other) Tort <input type="checkbox"/> Business tort/unfair business practice (07) <input type="checkbox"/> Civil rights (08) <input type="checkbox"/> Defamation (13) <input type="checkbox"/> Fraud (16) <input type="checkbox"/> Intellectual property (19) <input type="checkbox"/> Professional negligence (25) <input type="checkbox"/> Other non-PI/PD/WD tort (35) Employment <input type="checkbox"/> Wrongful termination (36) <input type="checkbox"/> Other employment (15)	Contract <input type="checkbox"/> Breach of contract/warranty (06) <input type="checkbox"/> Collections (09) <input checked="" type="checkbox"/> Insurance coverage (18) <input type="checkbox"/> Other contract (37) Real Property <input type="checkbox"/> Eminent domain/Inverse condemnation (14) <input type="checkbox"/> Wrongful eviction (33) <input type="checkbox"/> Other real property (26) Unlawful Detainer <input type="checkbox"/> Commercial (31) <input type="checkbox"/> Residential (32) <input type="checkbox"/> Drugs (38) Judicial Review <input type="checkbox"/> Asset forfeiture (05) <input type="checkbox"/> Petition re: arbitration award (11) <input type="checkbox"/> Writ of mandate (02) <input type="checkbox"/> Other judicial review (39)	Provisionally Complex Civil Litigation (Cal. Rules of Court, rules 1800-1812) <input type="checkbox"/> Antitrust/Trade regulation (03) <input type="checkbox"/> Construction defect (10) <input type="checkbox"/> Mass tort (40) <input type="checkbox"/> Securities litigation (28) <input type="checkbox"/> Environmental/Toxic tort (30) <input checked="" type="checkbox"/> Insurance coverage claims arising from the above listed provisionally complex case types (41) Enforcement of Judgment <input type="checkbox"/> Enforcement of judgment (20) Miscellaneous Civil Complaint <input type="checkbox"/> RICO (27) <input type="checkbox"/> Other complaint (not specified above) (42) Miscellaneous Civil Petition <input type="checkbox"/> Partnership and corporate governance (21) <input type="checkbox"/> Other petition (not specified above) (43)
--	---	---

2. This case ☒ is ☐ is not complex under rule 1800 of the California Rules of Court. If the case is complex, mark the factors requiring exceptional judicial management:
- | | |
|--|---|
| a. <input type="checkbox"/> Large number of separately represented parties
b. <input type="checkbox"/> Extensive motion practice raising difficult or novel issues that will be time-consuming to resolve
c. <input type="checkbox"/> Substantial amount of documentary evidence | d. <input type="checkbox"/> Large number of witnesses
e. <input checked="" type="checkbox"/> Coordination with related actions pending in one or more courts in other counties, states, or countries, or in a federal court
f. <input type="checkbox"/> Substantial postjudgment judicial supervision |
|--|---|
3. Type of remedies sought (check all that apply):
 a. ☒ monetary b. ☒ nonmonetary; declaratory or injunctive relief c. ☐ punitive
4. Number of causes of action (specify): 5
5. This case ☐ is ☒ is not a class action suit.
6. If there are any known related cases, file and serve a notice of related case. (You may use form CM-015.)

Date: July 1, 2008

Lester O. Brown

(TYPE OR PRINT NAME)

(SIGNATURE OF PARTY OR ATTORNEY FOR PARTY)

NOTICE

- Plaintiff must file this cover sheet with the first paper filed in the action or proceeding (except small claims cases or cases filed under the Probate Code, Family Code, or Welfare and Institutions Code). (Cal. Rules of Court, rule 201.8.) Failure to file may result in sanctions
- File this cover sheet in addition to any cover sheet required by local court rule.
- If this case is complex under rule 1800 et seq. of the California Rules of Court, you must serve a copy of this cover sheet on all other parties to the action or proceeding.
- Unless this is a complex case, this cover sheet will be used for statistical purposes only

Page 1 of 2

CM-015

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address): Lester O. Brown (SBN 160828) Fiona A. Chaney (SBN 227725) HOWREY LLP 550 South Hope Street, Suite 1100 Los Angeles, California 90071 TELEPHONE NO.: (213) 892-1800 FAX NO. (Optional): E-MAIL ADDRESS (Optional): brownl@howrey.com; chanevf@howrey.com ATTORNEY FOR (Name): Plaintiff Intel Corporation	<div style="text-align: center;"> E-FILED Jul 1, 2008 4:07 PM KIRI TORRE Chief Executive Officer Superior Court of CA, County of Santa Clara Case #1-08-CV-116396 Filing #G-9502 By G. Duarte, Deputy </div>
SUPERIOR COURT OF CALIFORNIA, COUNTY OF SANTA CLARA STREET ADDRESS: 191 N. First Street MAILING ADDRESS: CITY AND ZIP CODE: San Jose, CA 95113 BRANCH NAME:	
PLAINTIFF/PETITIONER: Intel Corporation DEFENDANT/RESPONDENT: The Insurance Company of the State of Pennsylvania	CASE NUMBER: 1-08-CV-116396 JUDICIAL OFFICER:
NOTICE OF RELATED CASE	DEPT.:

Identify, in chronological order according to date of filing, all cases related to the case referenced above.

1. a. Title: Skold v. Intel Corporation, et al.
 - b. Case number: 1-05-CV-039231
 - c. Court: ☒ same as above
☐ other state or federal court (name and address):
 - d. Department: 17C
 - e. Case type: ☐ limited civil ☒ unlimited civil ☐ probate ☐ family law ☐ other (specify):
 - f. Filing date: March 2004, transferred to Dept. 17c on April 13, 2005
 - g. Has this case been designated or determined as "complex?" ☒ Yes ☐ No
 - h. Relationship of this case to the case referenced above (check all that apply):
 - ☐ involves the same parties and is based on the same or similar claims.
 - ☒ arises from the same or substantially identical transactions, incidents, or events requiring the determination of the same or substantially identical questions of law or fact. (insurance coverage action for the SKOLD claims)
 - ☐ involves claims against, title to, possession of, or damages to the same property.
 - ☐ is likely for other reasons to require substantial duplication of judicial resources if heard by different judges.
 - ☐ Additional explanation is attached in attachment 1h
 - i. Status of case:
 - ☒ pending
 - ☐ dismissed ☐ with ☐ without prejudice
 - ☐ disposed of by judgment
2. a. Title: Intel v. XL Insurance America, Inc.
 - b. Case number: 1-06-CV-061620
 - c. Court: ☒ same as above
☐ other state or federal court (name and address):
 - d. Department: 17C

Page 1 of 3

NOTICE OF RELATED CASE

PLAINTIFF/PETITIONER: Intel Corporation	CASE NUMBER:
DEFENDANT/RESPONDENT: The Insurance Company of the State of Pennsylvania	1-08-CV-116396

2. (continued)

- e. Case type: ☐ limited civil ☒ unlimited civil ☐ probate ☐ family law ☐ other (specify):
- f. Filing date: April 12, 2006
- g. Has this case been designated or determined as "complex?" ☒ Yes ☐ No
- h. Relationship of this case to the case referenced above (check all that apply):
- ☐ involves the same parties and is based on the same or similar claims.
- ☒ arises from the same or substantially identical transactions, incidents, or events requiring the determination of the same or substantially identical questions of law or fact.
- ☐ involves claims against, title to, possession of, or damages to the same property.
- ☐ is likely for other reasons to require substantial duplication of judicial resources if heard by different judges.
- ☐ Additional explanation is attached in attachment 2h
- i. Status of case:
- ☒ pending
- ☐ dismissed ☐ with ☐ without prejudice
- ☐ disposed of by judgment

3. a. Title:

b. Case number:

- c. Court: ☐ same as above
☐ other state or federal court (name and address):

d. Department:

e. Case type: ☐ limited civil ☐ unlimited civil ☐ probate ☐ family law ☐ other (specify):

f. Filing date:

g. Has this case been designated or determined as "complex?" ☐ Yes ☐ No

h. Relationship of this case to the case referenced above (check all that apply):

- ☐ involves the same parties and is based on the same or similar claims.
- ☐ arises from the same or substantially identical transactions, incidents, or events requiring the determination of the same or substantially identical questions of law or fact.
- ☐ involves claims against, title to, possession of, or damages to the same property.
- ☐ is likely for other reasons to require substantial duplication of judicial resources if heard by different judges.
- ☐ Additional explanation is attached in attachment 3h

i. Status of case:

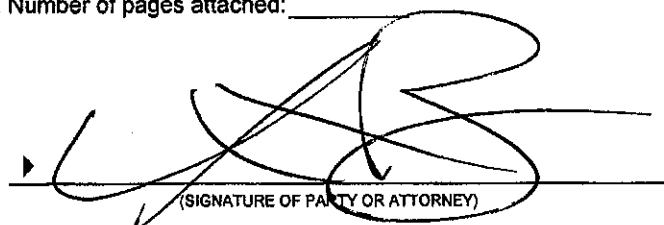
- ☐ pending
- ☐ dismissed ☐ with ☐ without prejudice
- ☐ disposed of by judgment

4. ☐ Additional related cases are described in Attachment 4. Number of pages attached: _____

Date: July 1, 2008

Lester O. Brown

(TYPE OR PRINT NAME OF PARTY OR ATTORNEY)



(SIGNATURE OF PARTY OR ATTORNEY)

PLAINTIFF/PETITIONER:	CASE NUMBER:
DEFENDANT/RESPONDENT:	1-08-CV-116396

**PROOF OF SERVICE BY FIRST-CLASS MAIL
NOTICE OF RELATED CASE**

(NOTE: You cannot serve the Notice of Related Case if you are a party in the action. The person who served the notice must complete this proof of service. The notice must be served on all known parties in each related action or proceeding.)

1. I am at least 18 years old and not a party to this action. I am a resident of or employed in the county where the mailing took place, and my residence or business address is (specify):

2. I served a copy of the *Notice of Related Case* by enclosing it in a sealed envelope with first-class postage fully prepaid and (check one):

- a. ☐ deposited the sealed envelope with the United States Postal Service.
- b. ☐ placed the sealed envelope for collection and processing for mailing, following this business's usual practices, with which I am readily familiar. On the same day correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service.

3. The *Notice of Related Case* was mailed:

- a. on (date):
- b. from (city and state):

4. The envelope was addressed and mailed as follows:

a. Name of person served:

Street address:

City:

State and zip code:

c. Name of person served:

Street address:

City:

State and zip code:

b. Name of person served:

Street address:

City:

State and zip code:

d. Name of person served:

Street address:

City:

State and zip code:

☐ Names and addresses of additional persons served are attached. (You may use form POS-030(P).)

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date:

(TYPE OR PRINT NAME OF DECLARANT)

(SIGNATURE OF DECLARANT)

**SUPERIOR COURT OF CALIFORNIA, COUNTY OF SANTA CLARA
191 N. FIRST STREET
SAN JOSE, CA 95113-1090**

E-FILED

Jul 1, 2008 4:33 PM
KIRI TORRE
Chief Executive Officer
Superior Court of CA, County of Santa Clara
Case #1-08-CV-116396 Filing #G-9508
By R. Walker, Deputy

TO: FILE COPY

RE: **Intel Corporation v. The Insurance Company of the State of
Pennsylvania**
CASE NUMBER: **1-08-CV-116396**

NOTICE OF CASE MANAGEMENT CONFERENCE

A Case Management Conference for the above entitled case has been scheduled, and all parties are directed to appear in this court on:

Date: November 21, 2008 At: 10:00 a.m. In: Department 8C

Location: Superior Court, 191 North First Street, San Jose, CA 95113.

1. You must electronically file and serve a completed "Case Management Conference Statement" (Judicial Council Form CM-110) at least fifteen (15) calendar days prior to the above scheduled conference.
2. Counsel for each party and each self-represented party shall attend the conference and be fully prepared to participate effectively.
3. Compliance with all Local Rules of Court is required.
4. For further information, contact the Complex Civil Litigation Department, (408) 882-2286.

Date: July 1, 2008

/s/ Joseph H. Huber
Judge of the Superior Court

If you, a party represented by you, or a witness to be called on behalf of that party need an accommodation under the American with Disabilities Act, please contact the Court Administrator's office at (408) 882-2700, or use the Court's TDD line, (408) 882-2690 or the Voice/TDD California Relay Service, (800) 735-2922.

1 KEVIN G. McCURDY (SBN 115083)
2 MARY P. McCURDY (SBN 116812)
3 McCURDY & FULLER LLP
4 4300 Bohannon Drive, Suite 240
Menlo Park, CA 94025
Telephone: (650) 618-3500
Facsimile: (650) 618-3599

5 Attorneys for Defendant
6 THE INSURANCE COMPANY OF THE STATE OF PENNSYLVANIA

7
8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 FOR THE COUNTY OF SANTA CLARA
10 COMPLEX DIVISION

11 INTEL CORPORATION, a Delaware
12 corporation

13 Plaintiff,

14 v.
15

16 THE INSURANCE COMPANY OF THE
17 STATE OF PENNSYLVANIA, a Pennsylvania
Corporation; and DOES 1 through 100,
inclusive,

18 Defendant.

CASE NO. 1-08-CV-116396

**THE INSURANCE COMPANY OF THE
STATE OF PENNSYLVANIA'S
ANSWER TO INTEL
CORPORATION'S COMPLAINT**

19
20 Pursuant to California Code of Civil Procedure §431.30, defendant The Insurance
21 Company of the State of Pennsylvania ("ICSOP") denies, generally and specifically, each and
22 every allegation contained in the complaint of plaintiff Intel Corporation ("plaintiff") and further
23 denies that plaintiff has sustained, or will sustain, damages or injuries in the sums alleged, or at all,
24 or that plaintiff is entitled to any of the relief sought in the complaint against ICSOP. Furthermore,
25 ICSOP asserts the following affirmative defenses set forth below:
26
27
28

FIRST AFFIRMATIVE DEFENSE

ICSOP alleges that plaintiff's complaint fails to state facts sufficient to constitute a cause of action against ICSOP.

SECOND AFFIRMATIVE DEFENSE

ICSOP alleges that plaintiff's claims are barred, in whole or in part, by the doctrines of laches, unclean hands, waiver and/or estoppel.

THIRD AFFIRMATIVE DEFENSE

ICSOP alleges that plaintiff's claims are barred, in whole or in part, by the terms, exclusions, conditions and other limitations in the insurance policy issued by ICSOP.

FOURTH AFFIRMATIVE DEFENSE

ICSOP alleges that plaintiff's claims are barred, in whole or in part, because plaintiff failed to comply with, or perform the obligations required by the insurance policy issued by ICSOP.

FIFTH AFFIRMATIVE DEFENSE

ICSOP alleges that plaintiff's claims are barred, in whole or in part, by California Insurance Code § 533 to the extent the damages, injuries, claims or losses alleged in plaintiff's complaint arise in whole or in part from plaintiff's willful or intentional conduct.

SIXTH AFFIRMATIVE DEFENSE

ICSOP alleges that plaintiff's claims are barred, in whole or in part, to the extent primary and underlying excess insurance was not maintained in full force and effect during the effective period of the insurance policy issued by ICSOP.

SEVENTH AFFIRMATIVE DEFENSE

ICSOP alleges that plaintiff's claims are barred, in whole or in part, to the extent the insurance policy issued by ICSOP is excess of underlying policies of insurance, self-insured retentions and/or deductibles, and the full limits or amounts of said underlying policies of

insurance, self-insured retentions, and/or deductibles, if any, have not been paid or exhausted.

EIGHTH AFFIRMATIVE DEFENSE

ICSOP alleges that plaintiff's claims are barred, in whole or in part, to the extent that notice of said claims was not provided in the manner prescribed by the insurance policy issued by ICSOP and/or as required by law.

NINTH AFFIRMATIVE DEFENSE

ICSOP alleges that plaintiff's claims are barred, in whole or in part, to the extent plaintiff failed to assist and/or cooperate with ICSOP as required by ICSOP's policy or as implied by law.

TENTH AFFIRMATIVE DEFENSE

ICSOP alleges that plaintiff's claims are barred, in whole or in part, to the extent ICSOP may be entitled to contribution, set-off, indemnification, apportionment, or other relief from plaintiff and/or from any other insurer.

ELEVENTH AFFIRMATIVE DEFENSE

To the extent that plaintiff failed to mitigate, minimize, or avoid any damages allegedly sustained, any potential recovery against ICSOP must be reduced by the amount attributable to such failure.

TWELFTH AFFIRMATIVE DEFENSE

ICSOP alleges that plaintiff's claims are barred, in whole or in part, to the extent that unreasonable and/or unnecessary costs were expended in defense or settlement of said claims.

THIRTEENTH AFFIRMATIVE DEFENSE

ICSOP alleges that plaintiff's claims are barred, in whole or in part, to the extent that plaintiff voluntarily paid, assumed and/or incurred expenses to defend/settle the underlying claims without ICSOP's consent.

McCURDY & FULLER LLP
4300 Bohannon Drive, Suite 240
Menlo Park, CA 94025
(650) 618-3500

FOURTEENTH AFFIRMATIVE DEFENSE

ICSOP alleges that plaintiff's claims are barred, in whole or in part, to the extent that any alleged offenses in the underlying claims did not occur during the effective period of the ICSOP policy.

FIFTEENTH AFFIRMATIVE DEFENSE

ICSOP alleges that plaintiff's claims are barred, in whole or in part, because any obligation to pay defense costs incurred by plaintiff is limited by the terms of the ICSOP policy.

SIXTEENTH AFFIRMATIVE DEFENSE

ICSOP alleges that plaintiff's claims are barred, in whole or in part, because no coverage is provided under the ICSOP's policy to the extent that any of the underlying claims involve damages, injuries, losses or offense(s) that occurred prior to or after the expiration of the ICSOP policy.

SEVENTEENTH AFFIRMATIVE DEFENSE

ICSOP alleges that plaintiff's claims are barred, in whole or in part, to the extent plaintiff impaired ICSOP's rights of subrogation or contribution.

EIGHTEENTH AFFIRMATIVE DEFENSE

ICSOP alleges that plaintiff's claims are barred, in whole or in part, to the extent that no actual, justiciable case or controversy exists between plaintiff and ICSOP, and/or to the extent that any dispute between plaintiff and ICSOP is not ripe for adjudication.

NINETEENTH AFFIRMATIVE DEFENSE

ICSOP alleges that to the extent other valid and collectible insurance is available to cover losses also covered by the ICSOP policy, any coverage provided by the ICSOP policy, which coverage is specifically denied, shall be in excess of and shall not contribute with such other insurance.

TWENTIETH AFFIRMATIVE DEFENSE

ICSOP alleges that the causes of action set forth in the cross-complaint are barred by the applicable statutes of limitations, including, but not limited to, California Code of Civil Procedure §§ 337, 338, 339, 340, 343 and 361.

TWENTY-FIRST AFFIRMATIVE DEFENSE


ICSOP reserves the right to assert additional affirmative defenses as may be necessary once additional information becomes known.

WHEREFORE, ICSOP prays for judgment as follows:

1. That plaintiff takes nothing by complaint;
2. For costs of suit incurred herein; and
3. For such other and further relief as the Court deems proper.

Dated: July 3, 2008

McCURDY & FULLER LLP


for KEVIN G. McCURDY
Attorneys for Defendant
THE INSURANCE COMPANY OF THE
STATE OF PENNSYLVANIA

McCURDY & FULLER LLP
4300 Bohannon Drive, Suite 240
Menlo Park, CA 94025
(650) 618-3500

1 KEVIN G. McCURDY (SBN 115083)
2 MARY P. McCURDY (SBN 116812)
3 McCURDY & FULLER LLP
4 4300 Bohannon Drive, Suite 240
5 Menlo Park, CA 94025
6 Telephone: (650) 618-3500
7 Facsimile: (650) 618-3599

8 Attorneys for Defendant
9 THE INSURANCE COMPANY OF THE STATE OF PENNSYLVANIA

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA
11 FOR THE COUNTY OF SANTA CLARA

12 INTEL CORPORATION, a Delaware
13 Corporation,

14 Plaintiff,

15 v.

16 THE INSURANCE COMPANY OF THE
17 STATE OF PENNSYLVANIA, a
18 Pennsylvania Corporation, and DOES 1
19 through 100, inclusive

20 Defendant.

CASE NO. 1-08-CV-116396

NOTICE OF REMOVAL OF
STATE COURT ACTION TO
DISTRICT COURT UNDER
28 U.S.C. SECTION 1441
[DIVERSITY JURISDICTION]

21 **TO PLAINTIFF AND ITS ATTORNEYS OF RECORD AND TO THE CLERK OF**
22 **THE SUPERIOR COURT FOR THE COUNTY OF SANTA CLARA:**


23 PLEASE TAKE NOTICE that defendant The Insurance Company of the State of
24 Pennsylvania ("ICSOP") has filed, in the United States District Court for the Northern District of
25 California, a notice of removal of the above-captioned action pursuant to 28 U.S.C. §§ 1332 and
26 1441. A copy of ICSOP's notice of removal is attached hereto as Exhibit A. Said matter shall
27 proceed hereafter in the United States District Court for the Northern District of California.

28 PLEASE TAKE FURTHER NOTICE that pursuant to 28 U.S.C. § 1441(e), the filing of
the notice of removal, together with this notice, effects the removal of this complaint, and the
above-captioned Court is requested to proceed no further unless and until the case is remanded to

1 the Superior Court.

2
3 Dated: July 3, 2007

McCURDY & FULLER LLP

4
5 By 
for KEVIN G. McCURDY
6 Attorneys for Defendant
7 THE INSURANCE COMPANY OF THE
8 STATE OF PENNSYLVANIA
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McCURDY & FULLER LLP
4300 Bohannon Drive, Suite 240
Menlo Park, CA 94025
(650) 618-3500

PROOF OF SERVICE

Intel Corporation v. Insurance Company of the State of Pennsylvania
Superior Court of California, County of Santa Clara
1-08-CV-116396

I am a citizen of the United States. My business address is 4300 Bohannon Drive, Suite 240, Menlo Park, California 94025. I am employed in the county of San Mateo where this service occurs. I am over the age of 18 years, and not a party to the within cause. I am readily familiar with my employer's normal business practice for collection and processing of correspondence for mailing with the U.S. Postal Service, and that practice is that correspondence is deposited with the U.S. Postal Service the same day as the day of collection in the ordinary course of business.

On the date set forth below, following ordinary business practice, I served a true copy of the foregoing document(s) described as:

**NOTICE OF REMOVAL OF STATE COURT ACTION TO DISTRICT COURT
 UNDER 28 U.S.C. SECTION 1441 [DIVERSITY JURISDICTION]**

PROOF OF SERVICE

Addressed to the following recipients:

Lester O. Brown, Esq.
 Fiona A. Chaney, Esq.
 Howrey LLP
 550 South Hope St., Suite 1100
 Los Angeles, CA 90071
 Fax: (213) 892-200
(Attorneys for Plaintiff)

____ (BY FAX) by transmitting via facsimile the document(s) listed above to the fax number(s) set forth below, or as stated on the attached service list, on this date before 5:00 p.m.

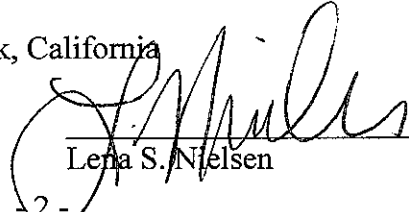
 X (BY MAIL) I caused such envelope(s) with postage paid thereon fully prepaid to be placed in the United States mail at Menlo Park, California.

 X (BY ELECTRONIC SUBMISSION) I caused such document to be submitted electronically to the Superior Court of Santa Clara County to be posted to the website with notice given to all parties that document was served.

____ (BY OVERNIGHT DELIVERY) I caused such envelope(s) to be delivered to an overnight delivery carrier with delivery fees provided for, addressed to the person(s) on whom it is to be served.

 X (State) I declare under the penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on July 3, 2008, at Menlo Park, California



 Lena S. Nielsen

JS 44 (Rev. 12/07) (and rev 1-16-08)

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON PAGE TWO OF THE FORM.)

I. (a) PLAINTIFFS

Intel Corporation, a Delaware Corporation

DEFENDANTS

Insurance Company of the State of Pennsylvania, a Pennsylvania Corporation

(b) County of Residence of First Listed Plaintiff State of Delaware
(EXCEPT IN U.S. PLAINTIFF CASES)County of Residence of First Listed Defendant State of Pennsylvania
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE LAND INVOLVED.

(c) Attorney's (Firm Name, Address, and Telephone Number):

Attorneys (If Known)

Lester O. Brown, Esq. and Fiona A. Chaney, Esq.
Howrey, LLP
550 South Hope Street, Suite 1100
Los Angeles, CA 90071 - Phone (213) 892-1800

Kevin G. McCurdy, Esq. and Mary P. McCurdy, Esq.
McCurdy & Fuller, LLP
4300 John F. Kennedy Blvd., Suite 240
Menlo Park, CA 94025 - Phone (650) 618-3500

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- ☐ 1 U.S. Government Plaintiff
☐ 2 U.S. Government Defendant
☐ 3 Federal Question (U.S. Government Not a Party)
☒ 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- (For Diversity Cases Only)
- | | | | | | |
|---|----------------------------|----------------------------|---|---------------------------------------|---------------------------------------|
| Citizen of This State | <input type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated or Principal Place of Business in This State | <input checked="" type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Incorporated and Principal Place of Business in Another State | <input type="checkbox"/> 5 | <input checked="" type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

IV. NATURE OF SUIT (Place an "X" in One Box Only)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input checked="" type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employee's Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury	PERSONAL INJURY <input type="checkbox"/> 362 Personal Injury—Med. Malpractice <input type="checkbox"/> 363 Personal Injury—Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC §81 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs. <input type="checkbox"/> 660 Occupational Safety/Health <input type="checkbox"/> 690 Other LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act IMMIGRATION <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 463 Habeas Corpus—Alien Detainee <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 422 Appeal 28 USC 156 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1393ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RET (405(g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 445 Amer. w/Disabilities—Employment <input type="checkbox"/> 446 Amer. w/Disabilities—Other <input type="checkbox"/> 440 Other Civil Rights	PRISONER PETITIONS <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> Habeas Corpus: <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition	<input type="checkbox"/> 460 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 810 Selective Service <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Act <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutionality of State Statutes	

V. ORIGIN (Place an "X" in One Box Only)

- ☐ 1 Original Proceeding
☐ 2 Removed from State Court
☐ 3 Remanded from Appellate Court
☐ 4 Reinstated or Reopened
☐ 5 Transferred from another district (specify)
☐ 6 Multidistrict Litigation
☐ 7 Appeal to District Judge from Magistrate Judgment

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
28 U.S.C. 1332

Brief description of cause:

Insurance Coverage dispute

VII. REQUESTED IN COMPLAINT:

☐ CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23

DEMAND \$

CHECK YES only if demanded in complaint:
JURY DEMAND: ☒ Yes ☐ No

VIII. RELATED CASE(S) IF ANY

PLEASE REFER TO CIVIL L.R. 3-12 CONCERNING REQUIREMENT TO FILE "NOTICE OF RELATED CASE".

IX. DIVISIONAL ASSIGNMENT (CIVIL L.R. 3-2)

(PLACE AND "X" IN ONE BOX ONLY)

☐ SAN FRANCISCO/OAKLAND☒ SAN JOSE

DATE

7/3/08

SIGNATURE OF ATTORNEY OF RECORD